

PROBLEMS IN THE ANALYSIS OF
POLITICAL CORRUPTION

by

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submitted in fulfilment of the requirements
for the degree of:

Doctor of Philosophy

UNIVERSITY OF TASMANIA

HOBART

February, 1976.

I declare that this thesis contains no material which has been accepted for the award of any other degree or diploma in any university, and that, to the best of my knowledge and belief, the thesis contains no copy or paraphrase of material previously published or written by another person, except when due reference is made in the text of the thesis.

P.R. Hay

February, 1976.

I offer sincere thanks to all those people who have assisted me in the preparation of this thesis. In particular, I wish to express my appreciation of the patient overseeing of Professor Peter J. Boyce, formerly Reader in Political Science at the University of Tasmania, and Dr. G.C. Sharman, Lecturer in Political Science at the University of Tasmania. Other members of this department have supplied assistance in one capacity or other, and to them too, I am profoundly grateful. Needless to say, remaining deficiencies in this thesis remain entirely my own responsibility.

I would also like to thank those people who were able to see their way clear to complete the questionnaire, a time-consuming task, and to acknowledge the assistance of the State secretaries of the Australian Labor Party (Tasmanian Branch) and the Liberal Party of Australia (Tasmanian Division) - respectively Mrs. Kath Venn and Group Captain P. Fleming - whose good offices greatly facilitated distribution of questionnaires.

P.R. Hay

February, 1976

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ABSTRACT

A number of recurrent problems have plagued attempts to render political corruption amenable to academic study. The problem which is most readily tackled concerns the identification of those factors which are conducive to high rates of corruption. These factors may be discovered through analysis of historical periods during which corruption was apparently rife, or from investigation of contemporary conditions in the Third World, where high levels of corruption reputedly exist. Yet it may be that any such investigation is premature, for it presumes the existence of a shared agreement on what activities are to be classed as corrupt. Clearly no such consensus exists, for one of the most perennial problems of the study of political corruption centres around whether there is a fixed universally-applicable standard of public ethics, or whether the term "corruption" specifies different activities in different circumstances. It is here argued that corruption does not refer to a standardized set of activities, but is a term imparting a quality of moral condemnation to certain practices, and different practices will be condemned in different cultural circumstances. Yet the debate is less clear-cut than this, for protagonists of each position have tended to adopt stances which are rather more inflexible and extreme than is warranted. In theory, the champions of the cultural relativity of corruption are certainly correct, but in practice they ignore the substantial similarity between conceptions of public ethics; a congruence which relegates most difference to

those activities generally located on the fringes of public morality. A similar tendency to gravitate to extremes is to be found in the debate concerning the effects of corruption on the well-being of the political system, where those who hold that such effects must always be dysfunctional are in fundamental disagreement with those who perceive corruption as capable of conferring benefits upon the system in which it occurs. It is held here that no general law governs the relationship between corruption and its political effects, and whether the results of corruption are ultimately beneficial or dysfunctional must be determined in each separate instance. In theory then, the position of those who are here designated as "functionalists" is closest to reality, though in accordance with the black/white syndrome which is also evident in this debate, they have grossly overestimated the degree to which it plays a positive role in political and economic development. Examination of the role played by corruption in violent physical change and, less dramatically, electoral change, further suggests the absence of any general rule concerning the political effect of corruption, though it is unlikely to ever be a *prima mover* of change. The fourth oft-discussed problem is the operational one of rendering political corruption amenable to comparative study. As it is here argued that corruption wears different clothes in different cultural circumstances, any attempt to find an objective standard of corruption is doomed to failure. Comparative analysis is not thereby rendered impossible, however, for the broad similarity between systems of public ethics means inter-cultural differences will be marginal rather than pivotal. To prepare the subject for analysis the

ethical status of fringe activities must be first ascertained; an onerous task, but one much less laborious than those who have been moved to seek an objective standard of political corruption believe. To demonstrate how this task may be undertaken, two fringe activities in the Australian political context are examined. Finally, note is made of a number of problem areas in the study of political corruption which have not yet been accorded the attention which they deserve.

A NOTE ON ABBREVIATIONS

Abbreviation has been kept to a minimum, and only two recurrent abbreviations require explanation. The Australian Labor Party has generally been rendered as the A.L.P., and the Democratic Labor Party is mostly referred to as the D.L.P. Titles of other Australian political parties have been given in full.

INTRODUCTION

HISTORY AND PROBLEMS OF THE

STUDY OF CORRUPTION

The Dutch sociologist, W.F. Wertheim, has written:

There is often a considerable discrepancy between the significance of a social phenomenon and the attention paid to it by sociology. One greatly neglected phenomenon is that of corruption. Though a favourite subject for club conversation and newspaper headlines, it has so far received remarkably little attention from professional sociologists. As a result, the current conception of "corruption" is still enmeshed in emotional reactions and popular notions; it hardly reflects any real understanding of the historical roots and social significance of the phenomenon.¹

Few would dispute Wertheim's contention that corruption, while long a favourite theme of novelists² and journalists, has until recently received scant attention from political scientists and sociologists. Why should this have been so?

A large proportion of academic studies of corruption acknowledged the subject's unpopularity, and several theories have been advanced to suggest why academic investigators have shied away from it. Probably the most frequently cited explanation is the difficulty involved in rooting out facts which authorities may have a vested interest in suppressing. Even assuming that the relevant facts are ascertainable, sources of information may be confidential, thus precluding

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1. W.F. Wertheim, *East-West Parallels: Sociological Approaches to Modern Asia* (Chicago: 1965), p.103.
 2. See Chinua Achebe, *No Longer at Ease* (London: 1960); Hilaire Belloc, *Mr. Clutterbuck's Election* (London: 1911); Penderel Moon, *Strangers in India* (London: 1944); V.S. Naipaul, *The Suffrage of Elvira* (London: 1958); Edwin O'Connor, *The Last Hurrah* (Boston: 1956); and Upton Sinclair, *The Jungle* (New York: 1905).

acknowledgement, or so obscure that substantiation of information becomes virtually impossible. Nor does discovering and corroborating facts bring an end to difficulties, for the material may be so controversial that no publisher will handle it for fear of libel action. Wraith and Simpkins write:

It is frustrating to write, one's phrases wrapped in a cocoon of ambiguity, about something which everyone knows, which no one dares openly to acknowledge, which can rarely be proved and which may lead to serious trouble if one is in the least incautious.³

Not all observers are so discouraging. One who disagrees with the above arguments is Colin Leys. Leys writes:

All these notions seem dubious. There are nearly always sources of information, some of them - such as court records - systematic in their way, and some of them very circumstantial (like privileged parliamentary debates). Many of the people involved are quite willing to talk. And commissions of inquiry have published large amounts of evidence, obtained by unusual powers of compulsion.... Publishing the results might present difficulties, but these would only be acute if naming persons were essential to the object of publishing, which is not ordinarily the case in scientific inquiry, even in the social sciences. As anyone who has written on contemporary issues is aware, there are adequate conventions which enable events and incidents to be described anonymously or obliquely, without reducing their credibility or value as evidence.⁴

Leys is correct when he suggests that there has been a tendency to overestimate difficulties, and he rightly castigates students of corruption for being intimidated by these difficulties to the extent that they have not "approached the subject in this 'spirit' of aiming

3. Ronald Wraith and Edgar Simpkins, *Corruption in Developing Countries* (London: 1963), p.14.

4. Colin Leys, "What is the Problem about Corruption?", *Journal of Modern African Studies*, Vol. 3 (1965), No.2, pp. 215-216.

to describe, measure, analyse and explain the phenomenon itself".⁵
 The number of students who have decided not to tackle the subject of corruption at all when confronted by these difficulties is probably even more significant.

On the other hand it is difficult not to feel that Leys, while correctly pointing out that the extent of these problems has been exaggerated, has himself over-reacted and underrated the problems involved. Leys mentions specifically four possible sources of information - court records, commissions of inquiry, parliamentary debates and face to face contacts. Three of these four sources are dependent on prior exposure of the instances of corruption under investigation and require that they be of sufficient importance to warrant commissions of inquiry, court cases, and parliamentary debates. Yet it is quite possible that exposed instances of corruption constitute the mere tip of the iceberg, or at least a smaller percentage of all instances of corruption in public life than those which remain unexposed. Court cases, parliamentary debates and commissions of inquiry may provide valuable insight into the nature of political corruption, but are a most unreliable indicator of its rate of incidence which, while not a prime concern of this particular project, is likely to warrant academic investigation from time to time.

It is also probable that Leys assumes too lightly the willingness of those involved to provide the researcher with useful information. He fails to make a most important distinction - that between current issues and those which can be classed as purely historical. In this context current issues are taken to include any

5. *ibid.*, p. 216.

events in the recent past which, if brought into the open, could have serious repercussions for any person or people presently engaged in political activity or any related field (such as administration, journalism or business). By historical issues are meant any events which, if brought into the open, would not pose a threat to any person so engaged, even though they may tarnish the reputation of people formerly active in these fields. Obviously people with knowledge of incidents falling into the latter category will be more prepared to speak frankly than will those with knowledge of incidents which fall into the former category,⁶ where they run the risk of inviting recriminations from people who may yet wield considerable power. It is unlikely that such people would be quite as willing to divulge information as Leys would have us believe. Source difficulties are important, therefore, and though Leys correctly points out that they are not insuperable, he nevertheless tends to dismiss these problems too readily.

A second explanation for the reluctance of academic researchers to turn their attentions to political corruption stems from the problems involved in the apparently simple task of definition. One of the most striking impressions one takes away from a perusal of the literature on corruption is the bewildering range of definitions employed. Most students of corruption have adopted over-narrow definitions of the term. To correct inadequacies of definition is a major aim of this thesis.

Allied to the problems of definition are the difficulties

6. Unless the confidant stands to gain politically by blackening a rival's reputation, in which case the information so gained must be regarded with some scepticism.

presented by corruption's grey zones - activities which may or may not be considered corrupt. Unfortunately the boundary between corrupt practices and legitimate political activity is very indistinct indeed. The two shade into each other, and the area of shading will contain a number of practices of questionable legitimacy which many people would deplore, yet stop short of labelling "corrupt". The problem of establishing criteria which enable activities in these grey zones to be readily classified as corrupt or not corrupt is a formidable one, and many people have undoubtedly shied away from the attempt.

A fourth possible explanation for the unpopularity of corruption as a focus of academic research concerns research motivation. Research into corruption is naturally more appealing during periods when corruption levels seem high and abuses blatant, than it is at times when its incidence is low or when violations rarely reach the public's attention. Eric McKittrick argues:

The investigation of corruption (in the analytical sense) does not seem to present a subject of very intense interest to social scientists these days. Past research in this area has for the most part taken its stimulus from a basic commitment to reform, rather than from the intrinsic charm of the subject, and most of it has tended to be done during times when a general concern with reform was fairly high. We are not living in such a period today.⁷

The remainder of this introduction will be devoted to a brief survey of existing literature on corruption, in the course of which the accuracy of McKittrick's claim will become readily apparent. Analysis of the literature of corruption certainly confirms McKittrick's contention. Most writing on corruption centres around three

7. Eric L. McKittrick, "The Study of Corruption", *Political Science Quarterly*, Vol.72 (1959), No.4, p. 502.

particular historical periods, in each of which circumstances combined to produce (1) a high rate of incidence of practices widely regarded as corrupt, and (2) a general feeling that there was an urgent need to remedy the situation.

The earliest of these periods coincides with the era of constitutional turbulence in nineteenth century Britain, and here the literature may be subdivided into two broad categories - that concerned with reform of the political system, and that concerned with the genesis and growth of the modern British civil service.

Most of the literature on political reform⁸ concentrates on the fifty years between the passing of the Great Reform Bill in 1832

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8. Very little of this literature is exclusively concerned with the elimination of corruption in nineteenth century British politics. Exceptions include W.L.Burn, "Electoral Corruption in the Nineteenth Century", *Parliamentary Affairs*, Vol.4 (1951), No.4, pp. 437-442; L.M.Helmore, *Corrupt and Illegal Practices* (London: 1967); John P. King, "Socioeconomic Development and the Incidence of Corrupt Campaign Practices", in: Arnold Heidenheimer (ed.), *Political Corruption: Readings in Comparative Analysis* (New York: 1970), [based on his Master's thesis, *An Analysis of Corrupt Campaign Practices in English Boroughs, 1832-1884* (University of Florida: 1964)]; Cornelius O'Leary, *The Elimination of Corrupt Practices in British Elections, 1868-1911* (Oxford: 1962); and Ronald Wraith and Edgar Simpkins, *Corruption in Developing Countries* (London: 1963). On the other hand there is a vast range of literature devoted to the analysis of electoral reform in general, most of which treats the elimination of corrupt practices as an important aspect of this broader theme. Such works include W. Albery, *A Parliamentary History of the Ancient Borough of Horsham, 1295-1885* (London: 1927); H.W.C. Davis, *The Age of Grey and Peel* (Oxford: 1929); Norman Gash, *Politics in the Age of Peel* (London: 1963); J.A. Grego, *A History of Parliamentary Elections* (London: 1890); William B. Gwyn, *Democracy and the Cost of Politics in Britain* (London: 1962); H.J. Hanham, *Elections and Party Management* (London: 1959); R.H. Hill, *Toryism and the People, 1832-1846* (London: 1955); S. Hyland, *Curiosities from Parliament* (London: 1955); Sir Henry James, "The British Corrupt Practices Act", *The Forum*, Vol. 15 (1893), pp. 129-141; A.B. Keith, *The Constitution of England from Queen Victoria to George VI*, 2 vols. (London: 1940); B. Keith-Lucas, *The History of English Local Government Franchise* (London: 1962); T. Lloyd, *The General*

and the Corrupt and Illegal Practices Act in 1854. Despite the Reform Bill, the year 1832 ushered in a period of widespread electoral abuse which brought Parliament into considerable disrepute. Cornelius O'Leary states that "bribery and treating were never more prevalent than in the decades immediately after the passing of the Great Reform Act",⁹ and according to W.L. Burn, "bribery was at its height in the middle of the nineteenth century, when the power and prestige of Government were at their lowest and the party system had not recovered from the Conservative schism of 1846".¹⁰ The years 1868-1883, however, represent a sustained period of electoral reform in the British Parliament, during which most of the existing electoral

Election of 1880 (New York/Oxford: 1968); Thomas Babington Macaulay (1st Baron), *The History of England from the Accession of James the Second*, 8 vols. (London: 1885); J.B. Martin, "A Review of our Representative System", *The Journal of the Royal Statistical Society*, Vol.47 (1884); H.L. Morris, *Parliamentary Franchise Reform in England from 1885 to 1918* (New York: 1921); L.B. Namier, *The Structure of Politics at the Accession of George III*, 2 vols. (London: 1929); M. Ostrogorski, *Democracy and the Organization of Political Parties*, vols. I and II (London: 1902); J.H. Park, *The English Reform Bill of 1867* (New York: 1920); E. and A. Porritt, *The Unreformed House of Commons*, 2 vols. (Cambridge: 1903); C. Seymour, *Electoral Reform in England and Wales* (New Haven: 1912); J.A. Thomas, *The House of Commons, 1837-1901* (Cardiff: 1939); G. Veitch, *The Genesis of Parliamentary Reform* (London: 1925); G. Wallas, *Human Nature and Politics* (London: 1908); S. Walpole, *The Electorate and the Legislature* (London: 1831); E.L. Woodward, *The Age of Reform, 1815-1870* (Oxford: 1938); and G.M. Young and W.D. Hancock (eds.), *English Historical Documents* (London: 1956); There are also a number of biographies which shed valuable light on the nature of corruption in the nineteenth century and the process of reform.

9. Cornelius O'Leary, *The Elimination of Corrupt Practices in British Elections, 1868-1911* (Oxford: 1962), p.3.
10. W.L. Burn, "Electoral Corruption in the Nineteenth Century", *Parliamentary Affairs*, Vol.4 (1951), No.4, p. 442.

abuses were eliminated.¹¹ A number of inter-related circumstances combined in this period to bring about a crisis over the ethical validity of activities which, while not necessarily approved, had been tolerated in Britain for over a century.

Many of these inter-related circumstances will be discussed briefly and generally in chapter 2, where it will be noted that a number of previously non-operative factors have come into being in the last two hundred years which have had a profound influence on the nature and rate of political corruption. The impact of these new developments was originally most keenly felt in Britain. In a specifically British context (though its influence rapidly extended to the rest of western Europe), the spread of literacy and the communications revolution were two of the most important developments, and one of the most significant consequences of these twin occurrences was the growth of the popular press. As Wraith and Simpkins state:

More and more of the electorate could read what their representatives were thinking and saying.... The new popular press also created a readership for scandal, and there was a lot of scandal to read about.¹²

The growth of means of popular scrutiny of political behaviour and the nature of political development during this period has ensured that electoral corruption in nineteenth century Britain has been comparatively well researched, both historically and contemporaneously.

In the second sub-category of literature on corruption in

11. Thus Sir Henry James was able to comment in 1893, "Corrupt Practices have in most localities ceased to exist; everywhere they have vastly diminished." [Sir Henry James, "The British Corrupt Practices Act", *The Forum*, Vol.15 (1893), p.141.]

12. Wraith and Simpkins, *op.cit.*, p.75.

nineteenth century Britain,¹³ the analysis of corruption is undertaken only as a secondary task, but its treatment is not rendered

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13. The following list is a sample of some of the most useful works on civil service reform in nineteenth century Britain (or containing relevant material on that period), and is by no means comprehensive. Most general works on the British Civil Service carry at least a short introductory summary of nineteenth century developments, paying particular attention to the Northcote-Trevelyan Report. Works of this nature have not been included. The standard work on the development of the modern civil service is E.W. Cohen's *The Growth of the British Civil Service, 1780-1939* (London: 1941). Other valuable references include Stephen N. Baxter, *The Development of the Treasury, 1660-1702* (London: 1957); J.E.D. Binney, *British Finance and Administration* (Oxford: 1958); W.J. Brown, *The Civil Service, Retrospect and Future* (London: 1943); G.A. Campbell, *The Civil Service in Britain* (London: 1965); G. Kitson Clark, "Statesmen in Disguise: Reflections on the History of the Neutrality of the Civil Service", *The Historical Journal*, Vol. 2 (1959), No. 1, pp. 19-40; Dorman N. Eaton, *Civil Service in Great Britain* (New York: 1880); Herman Finer, *The British Civil Service* (London: 1937); S.E. Finer, "Patronage and the Public Service", *Public Administration* (London), Vol. 30 (1952), No. 4, pp. 329-360; W.R. Greg, *The Way Out* (London: 1855); H.J. Hanham, "Political Patronage at the Treasury", *The Historical Journal*, Vol. 3 (1960), No. 1, pp. 75-85; Edward Hughes, "Civil Service Reform 1853-5", *Public Administration* (London), Vol. 32 (1954), No. 1, pp. 17-51; "Sir Charles Trevelyan and Civil Service Reform", *The English Historical Review*, Vol. 64 (1949), No. 1, pp. 53-55; and "Sir James Stephen and the Anonymity of the Civil Servant", *Public Administration* (London), Vol. 36 (1958), No. 1, pp. 29-33; Oliver MacDonagh, "The Nineteenth Century Revolution in Government: A Reappraisal", *The Historical Journal*, Vol. 1 (1958), No. 1, pp. 52-67; Charles Marvin, *Our Public Offices* (London: 1879); R. Moses, *The Civil Service of Great Britain* (New York: 1914); Henry Parris, "The Nineteenth Century Revolution in Government: A Reappraisal Reappraised", *The Historical Journal*, Vol. 3 (1960), No. 1, pp. 17-38; Roger Prouty, *The Transformation of the Board of Trade, 1830-55* (London: 1957); Sir Austin Strutt, "The Home Office: An Introduction to its Early History", *Public Administration* (London), Vol. 38 (1961), No. 2, pp. 111-131; F.M.G. Wilson, "Ministries and Boards: Some Aspects of Administrative Development since 1832", *Public Administration* (London), Vol. 33 (1955), No. 1, pp. 43-59; and Maurice Wright, *Treasury Control of the Civil Service, 1854-1874* (Oxford: 1969). In addition to these works, biographies of prominent statesmen, civil servants and reformers of the period contain much valuable information. See the biographical section of the bibliography in Wright, *op. cit.*, pp. 385-387, for a comprehensive list of useful biographical works. Finally, much information can be found in the political classics of the period, notably in the works of Burke, Bentham, Mill and Bagehot.

any less extensive thereby. It concerns the revolutionary change in the character of the British Civil Service, and naturally the intent of writers on this subject is rather to explain how the modern civil service came into being than to describe administrative corruption up to and during the period of reform. These developments will also be examined in greater depth later.

Before passing on to the second relatively comprehensive body of literature on corruption, one further characteristic of British writing on corruption in the nineteenth century deserves mention. In the second chapter it will be argued that this period was one in which British notions of public morality underwent profound changes. These changes are most evident in contemporary popular writing. Perhaps, then, a third sub-category of literature on corruption in Britain in the nineteenth century needs to be mentioned. This category would include such writers as Dickens (particularly *The Pickwick Papers*), George Meredith (*Beauchamp's Career*), Thomas Peacock (*Melincourt*), John Galt (*The Member and the Radical*), George Eliot, Charles Reade, Charles Kingsley, Mrs. Gaskell, Trollope, Ruckin, and even Disraeli (in *Coningsby*), all of whom attacked one or many of the various forms of corruption.

What light, if any, does this brief description of writings on corruption in nineteenth century Britain shed on McKittrick's thesis? It would seem to support it. Nineteenth century Britain was a time in which standards of public morality underwent a radical transformation and, as McKittrick suggests, a general concern with reform was high. This period has therefore attracted a comparatively large number of analysts, the attraction being "a basic commitment

to reform rather than ... the intrinsic charm of the subject".

The second relatively large body of literature on corruption is concerned with the depredations of the American political machine.¹⁴ A product of the unique combination of circumstances which existed in the U.S.A. at the end of the nineteenth century, the political "machine", under the control of a political "boss", flourished in the early years of this century.

Variations in the meanings of the terms "machine" and "boss" range broadly. "Machine" may be used as a neutral synonym for party organization (in which sense it is still with us), or as a derogatory

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14. Contemporary works will be noted later. The most important historical treatments of the era of machine politics, many of which champion the machine's positive aspects and insist that corruption has been over-emphasized, include: Herbert Asbury, *The Gangs of New York* (New York: 1927); Croswell Bowen, *The Elegant Oakey* (New York: 1956); J. Richard Butler and Joseph Driscoll, *Dock Walloper, the Story of "Big Dick" Butler* (New York: 1933); L.K. Caldwell, *The Government and Administration of New York* (New York: 1954); Alexander B. Callow, Jr., *The Tweed Ring* (New York: 1966); Robert Daly, *The World Beneath the City* (New York: 1959); Robert Ernst, *Immigrant Life in New York City* (New York: 1949); William Harlan Hale, *Horace Greebey, Voice of the People* (New York: 1950); Oscar Handin, *The Uprooted* (New York: 1952); Mark Hirsch, *William C. Whitney* (New York: 1948); Ari Hoogenboom, *Outlawing the Spoils*, (Urbana, Illinois: 1961); Matthew Josephson, *The Politics, 1865-1898* (New York: 1938); Jack Koford, *Brandy for Heroes; a Biography of the Honourable James Morrissey* (New York: 1938); Denis Tilden Lynch, *Boss Tweed, the Story of a Grim Generation* (New York: 1927); Seymour Mandelbaum, *Boss Tweed's New York* (New York: 1965); Gordon Milne, *George William Curtis and the Centennial Tradition* (Bloomington: 1956); H.W. Morgan, (ed.), *The Gilded Age* (Syracuse: 1963); Lloyd Morris, *Incredible New York* (New York: 1951); Gustavus Myers, *The History of Tammany Hall* (New York: 1917); Clifford W. Patton, *The Battle for Municipal Reform: Mobilization and Attack, 1875-1900* (New York: 1940); William L. Riordan, *Plunkitt of Tammany Hall* (New York: 1948); J.T. Salter, *Boss Rule: Portraits in City Politics* (London: 1935); Theodore Lothrop Stoddard, *Master of Manhattan, The Life Of Richard Croker* (New York: 1931); W.A. Swanberg, *Jim Fisk* (New York: 1959), Robert Penn Warren, *All the King's Men* (New York: 1946); M.R. Werner, *Tammany Hall* (New York: 1928); Lloyd Wend and Herman Kogan, *Bosses in Lusty Chicago* (London: 1967); and Harold Zink, *City Bosses in the United States: a Study of Twenty Municipal Bosses* (Durham, N.C.: 1930).

term applied to a corrupt party organization; "boss" as a neutral synonym for a legitimate party leader or organizer, or a ruthless mobster wielding corrupt power through money, influence and cunning behind the scenes. Despite their possibly respectable connotations, however, the words "machine" and "boss" are used largely as terms of political abuse. When ill-feeling runs high the opposition becomes a "machine" under the calculating hand of its "boss", while one's own organization is a "party" with a "leader". It was probably in this derogatory sense that the terms "machine" and "boss" were first used. One of the earliest definitions of the "machine" was coined by Ostrogorski in 1902. He described it as a party organization "captured" by "mercenary" politicians. It is:

... an aggregation of individuals stretching out hierarchically from top to bottom, bound to one another by personal devotion, but mercenary, and bent solely on satisfying their appetites by exploiting the resources of a political party.¹⁵

To Ostrogorski, "an honest machine is not in the course of nature".¹⁶ As it was in this sense that these terms were employed during the period which is here being considered, the lead of Ostrogorski and Bryce¹⁷ will be followed and they will be used to describe perverted organizations and corrupt leaders.

As with Britain in the nineteenth century, circumstances combined in the United States at the turn of the century to produce a situation in which corruption flourished.¹⁸ The response to this

15. M. Ostrogorski, *Democracy and the Organization of Political Parties*, Vol.II (London: 1902), p. 271.

16. *ibid.*, p. 422.

17. T. Bryce, *The American Commonwealth*, Vol.II (New York: 1914), Chs. LX-LXII.

18. See the section on machine age politics in chapter 2.

widespread venality was the phenomenon which Theodore Roosevelt labelled the "muckrakers" - the emergence of a small band of dedicated journalists who made it their business to expose graft and corruption in politics and government.¹⁹ Their journalistic outpourings constitute the largest body of literature centred around a common theme thus far written on the subject of corruption.²⁰

David Chalmers states:

In the decade between 1903 and 1912, over two thousand articles of a muckrake variety appeared in the cheap popular magazines,

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19. See Robert Bannister, *Ray Stannard Baker, The Mind and Thought of a Progressive* (New Haven: 1966); David M. Chalmers, *The Social and Political Ideas of the Muckrakers* (New York: 1954), and "The Muckrakers and the Growth of Corporate Power", the *American Journal of Economics and Sociology*, Vol. 18 (1959), No. 3, pp. 295-311; John Chamberlain, *Farewell to Reform* (New York: 1932); Louis Filler, *Crusaders for American Liberalism*, 2nd edn., (Yellow Springs: 1950); Granville Hicks, "Lincoln Steffens: He Covered the Future", *Commentary*, Vol. 13 (1952), pp. 147-155; Richard Hofstadter, *The Age of Reform* (New York: 1955); Charles Madison, *Critics and Crusaders* (New York: 1947); Lloyd Morris, *Postscript to Yesterday* (New York: 1947); George Mowry, *Theodore Roosevelt and the Progressive Movement* (Madison, Wisconsin: 1946); C.C. Regier, *The Era of Muckrakers* (Chapel Hill: 1932); Carl Resek (ed.), *The Progressives* (Indianapolis: 1967); Alfred B. Rollins, "The Heart of Lincoln Steffens", *South Atlantic Quarterly*, Vol. 59 (1960), pp. 239-250; Herbert Shapiro (ed.), *The Muckrakers and American Society* (Boston: 1968); Harvey Swados, *Years of Conscience* (Cleveland: 1962); and A. and L. Weinberg (eds.), *The Muckrakers* (New York: 1961), for more detailed examinations of the social and political significance of the muckrakers.
20. This period also saw a number of important academic works on corruption, including Robert C. Brooks, *Corruption in American Politics and Life* (New York: 1910); Henry Jones Ford, "Municipal Corruption", *Political Science Quarterly*, Vol. 19 (1904), No. 4, pp. 673-686; Frank J. Goodnow, *City Government in the United States* (New York: 1904); John L. Hamilton, *Government by Commission: the Dethronement of the City Boss* (New York: 1911); and Frederic C. Howe, *The City: The Hope of Democracy* (New York: 1906). Academia also had its occasional apologist for machine politics, the most outstanding of which was Daniel Greenleaf Thompson, *Politics in a Democracy* (New York: 1893).

supplemented by editorials, cartoons and serials.... However of this vast outpouring, more than forty per cent was written by a small group of twelve men and one woman who constituted the heart of the movement of exposure: Samuel Hopkins Adams, Ray Stannard Baker, Christopher P. Connolly, Burton J. Hendrick, Will Irwin, Thomas W. Lawson, Alfred Henry Lewis, David Graham Phillips, Charles Edward Russell, Upton Sinclair, Lincoln Steffens, Ida Tarbell, George Kibbe Turner. 21,22

There is considerable argument over whether the muckrakers were serious critics or sensational scandal mongers. One is inclined to accept Bottomore's verdict that they were a mixture of both, though in essence much closer to the former.²³ It is again evident, however, as McKittrick suggests, that commitment to reform was the motivating force behind the many works concerned with the ravages of the

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21. David M. Chalmers, "The Muckrakers and the Growth of Corporate Power", the *American Journal of Economics and Sociology*, Vol. 18 (1959), No.3, p. 297.
 22. Of these the most important works are those of Lincoln Steffens: *The Shame of the Cities* (New York: 1909); *The Struggle for Self-Government* (New York: 1906); *The Upbuilders* (New York: (1909); and *The Autobiography* (New York: 1931). Apart from their voluminous newspaper and journal articles, other important works by Chalmers' thirteen-strong "hard-core" include Baker's *Following the Color Line* (New York: 1908) and *American Chronicle* (New York: 1945); Lewis' *Richard Croker* (New York: 1901) and *The Boss* (New York: 1903); Phillips' *George Helm* (New York: 1912); *The Reign of Gilt* (New York: 1905), *The Second Generation* (New York: 1907), and *The Treason of the Senate* (Chicago: 1964 - re-issued); Russell's *Lawless Wealth* (New York: 1908), *The Story of Wendell Phillips* (Chicago: 1914), *Shifting Scenes* (New York: 1914), and *Bare Hands and Stone Walls* (New York: 1933); Sinclair's *The Industrial Republic* (New York: 1907), and his novel, *The Jungle* (New York: 1905); Tarbell's *All in a Day's Work* (New York: 1939); and Turner's *The Taskmasters* (New York: 1902).
 23. T.B. Bottomore, *Critics of Society* (London: 1967), p.8. He asserts that muckraking was:
 in one aspect, a pioneer venture in the kind of sensational journalism which is now largely devoted to sex, crime and film stars. At its best, nevertheless, it was the work of serious reformers whose writings were based upon extensive and careful research.

American political machine. In circumstances of widespread corruption, a small group of reform-motivated crusaders set about exposing what they saw to be the evils of the situation with a view to securing their amelioration.

The third significant body of writing on corruption consists of contemporary studies of the developing states of Africa, Asia and Latin America. Once again history has fashioned a situation in which circumstances combine to create a high incidence of public behaviour considered by many to be corrupt.²⁴ It is generally agreed that this is the result of the clash between traditional concepts of social obligation to the immediate family, extended family, tribe, caste or village, and the values of impartial, disinterested bureaucracy which have been institutionalized through the political and administrative systems introduced by colonial powers. This clash between traditional obligations and European norms of public morality has created an atmosphere of uncertain loyalty in which corruption flourishes. Other factors at play, such as the vast extremes of wealth and poverty which prevail in most developing countries, and the intense competition for lucrative scholarships and jobs which provide entry into the elite, contribute to this situation.

Given the apparently greater volume of corruption in developing countries, it is to be expected that most recent studies of corruption should focus on them. In fact, to such an extent are contemporary observers obsessively pre-occupied with corruption in the Third World, that many works dealing specifically with corruption in developing nations carry sweeping, generalized titles, as if in tacit

24. It will be later argued that given the cultural milieu in which they take place, it is doubtful whether many of these activities can rightly be considered corrupt.

acknowledgement that any contemporary study of political corruption is ipso facto concerned primarily with the world's poorer nations.^{25,26}

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25. Each of the following works, for example, are, despite their general titles, specifically concerned with corruption in developing nations: Syed Hussein Alatas, *The Sociology of Corruption* (Singapore: 1968); Ralph Braibanti, "Reflections On Bureaucratic Corruption", *Public Administration* (London: Vol. 40 (1962), No.4, pp. 357-372; "Towards a Grammar of Graft", *The Economist*, June 15, 1957, pp. 958-959; Colin Leys, "What is the Problem about Corruption?", *Journal of Modern African Studies*, Vol.3 (1965), No.2, pp. 215-230; M. McMullen, "A Theory of Corruption", *The Sociological Review*, Vol.9 (1961), No.2, pp. 181-200; John B. Monteiro, *Corruption: Control of Maladministration* (Bombay: 1966); and James C. Scott, "Corruption, Machine Politics and Political Change", *American Political Science Review*, Vol. 63 (1969), No.4, pp. 1142-1159.

 26. Other important works on developing nations include: Jose Veloso Abueva, "The Contribution of Nepotism, Spoils and Graft to Political Development", *East-West Center Review*, Vol. 3 (1966), pp. 45-54; Stanislaw Andreski, *The African Predicament* (New York: 1968); David H. Bayley, "The Effects of Corruption in a Developing Nation", *Western Political Quarterly*, Vol.19 (1966), No.4, pp. 719-732; Rene Dumont, *False Start in Africa* (New York: 1966); O.P. Dwivedi, "Bureaucratic Corruption in Developing Countries", *Asian Survey*, Vol.7 (1966-1967), No.4, pp. 245-253; S. Dwivedi and G.S. Bhargava, *Political Corruption in India* (New Delhi: 1967); J. David Greenstone, *Comparative Studies in Society and History*, Vol. 8 (1966), No.2, pp. 199-210; Samuel P. Huntington, *Political Order in Changing Societies* (New Haven: 1968); Nathaniel H. Left, "Economic Development through Bureaucratic Corruption", *American Behavioral Scientist*, Vol. 8 (1964), No.3, pp. 8-14; Ronald H. McDonald, "Electoral Fraud and Regime Controls in Latin America", *Western Political Quarterly*, Vol. 24 (1972), No.1, pp. 81-93; Donald F. Miller, "Culture and Corruption: An Approach with Illustrative Reference to India and America", *Melbourne Journal of Politics*, Vol.3 (1970), pp. 64-74; Gunnar Myrdal, *Asian Drama: An Inquiry into the Poverty of Nations*, Vol. II (New York: 1968); J.S. Nye, "Corruption and Political Development: A Cost-Benefit Analysis", *American Political Science Review*, Vol. 61 (1967), No.2, pp. 70-85; James C. Scott, "An Analysis of Corruption in Developing Nations", *Comparative Studies in Society and History*, Vol. 77 (1969), No.3, pp. 315-341; M.G. Smith, "Historical and Cultural Conditions of Political Corruption among the Hausa", *Comparative Studies in Society and History*, Vol. 6 (1964), No.2, pp. 164-194; Robert O. Tilman, "Emergence of Black-Market Bureaucracy: Administration, Development and Corruption in the New States", *Public Administration Review*, Vol. 28 (1968), No.5, pp. 437-444; John Waterbury, "Endemic and Planned Corruption in a Monarchical Regime", *World Politics*, Vol.25 (1973), (contd.)

The theme of corruption in under-developed countries will be resumed in chapter 3. For this reason, only the most cursory treatment has been attempted here. Yet even the briefest analysis will suffice to show that this third body of literature is also concerned with a situation in which standards of public morality are in a state of flux, in which corruption is thought to be relatively common, and in which a number of concerned onlookers have turned their talents to reforming the situation.

The fact that literature on corruption has had three clearly definable "boom" periods in the last two hundred years, in each of which circumstances combined to create crises of public morality, bears out McKittrick's contention that most investigation of corruption has occurred at a time when "a general concern with reform was fairly high". In addition, a large proportion of present-day studies which are not concerned with developing countries are retrospective analyses of the British and American crises outlined above. The importance of these three periods in the history of corruption is not in doubt, and they deserve to be studied in detail, but students of corruption have in the past been so pre-occupied with them that the systematic study of corruption as a political phenomenon beyond its specific manifestations has been greatly neglected. One cannot but agree with McKittrick that what is now needed is not the study of individual instances of corruption for the sake of exposure and reform, but the

No.4, pp. 533-55; Herbert H. Werlin, "The Consequences of Corruption: The Ghanaian Experience", *Political Science Quarterly*, Vol.88 (1973), No.1, pp.71-85, and "The Roots of Corruption - The Ghanaian Enquiry", *Journal of Modern African Studies*, Vol.10 (1972), No.2, pp.247-266; W.F. Wertheim, *East-West Parallels: Sociological Approaches to Modern Asia* (Chicago: 1965); and Ronald Wraith and Edgar Simpkins, *Corruption in Developing Countries* (London:1963).

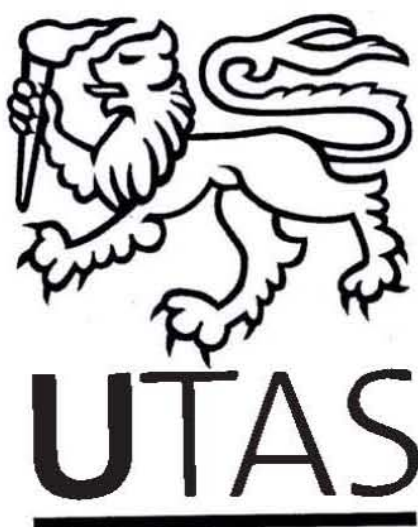
study of examples of corruption for the purpose of deriving from those particular instances knowledge of the essential nature of corruption as a political phenomenon. Only in this way can we hope to construct a theory of corruption of general validity, surely necessary if we are to understand the nature and significance of its political role.²⁷

This is the task which has been undertaken in this thesis. The first chapters attempt to clear a path through the theoretical chaos noted above. They begin with an attempt to place the term "corruption" in conceptual context with similar and related terms (such as "bribery" and "graft") and proceed to an examination of the controversies around which academic study of corruption is currently centred. Throughout these chapters the broad theme is developed that corruption must always be studied in the social context in which it exists. The later chapters attempt to apply this theme by suggesting a methodological approach which is admittedly extremely difficult and time-consuming, and which adds an additional subjective variable - the analyst's personal assessment of the value matrix within which corruption allegedly occurs - but which, it is argued, is indispensable if the study of corruption is to be rendered amenable to comparative investigation.

One further explanation needs to be made. It has been felt

27. Fortunately it is now possible to discern a trend in this direction. To this end, Arnold Heidenheimer's anthology, *Political Corruption: Readings in Comparative Analysis* (New York: 1970), represents a significant breakthrough. In addition some of the work on developing countries is concerned with extracting the generally applicable from the particular.

worthwhile to provide the reader with the various authors' (whose positions are examined) own explanations and assessments of their adopted standpoints. Regrettably this has meant that several passages which have been quoted are somewhat more lengthy than would normally be preferable.



CHAPTER 1.

RELATED CONCEPTS

The following survey of the concepts most often associated with corruption is intended to facilitate understanding of the nature of political corruption and assessment of its political significance. Because they refer to particular acts which in some circumstances may be described as corrupt, these related concepts allow for more definitive precision than "corruption" itself, which involves imparting a certain moral quality to an action, as shall be argued in greater detail later in the chapter. By examining the particular relationship between corruption and these specific modes of corruption, it should be possible to obtain some insight into the essence of corruption.

Graft

There has been a tendency to use the words "graft" and "corruption" as synonymous. "Corruption", however, is a term of broader scope than "graft", which is more specifically concerned with material self-gratification by illicit means. While it is true that this is the form corruption usually takes, a corrupt act may also aim at the attainment of non-material ends, or may not even be primarily concerned with personal enrichment (material or non-material) at all.¹

Bribery

Harold Lasswell has defined bribery as "the practice of

1. Though baldly stated here, this proposition is expounded further elsewhere in the thesis, notably in chapter 4. Note also the sections on "patronage" and "nepotism" later in this chapter.

tendering and accepting private advantage as a reward for the violation of duty".² Probably no practice is more closely identified with corruption than bribery, and though "bribery" is an even narrower term than "graft", it is also often regarded as synonymous with "corruption". To equate bribery with corruption is, however, to hold an over-restrictive view of corruption. As David Bayley points out "Bribery and corruption are intimately linked together, but they are not inseparable. A person bribed is a person corrupt, but a man may be corrupt who does not take bribes".³

What, then, is inherent in the notion of bribery which differentiates it from other forms of corruption? According to Brooks: "There can be no bribe-taker without a bribe-giver but corruption can and frequently does exist even when there are no personal tempters or guilty confederates."⁴ Here is an essential difference between bribery and some other forms of corruption, but Brooks' differentiation is not entirely adequate, for bribery is not the only form of corruption which involves "personal tempters or guilty confederates". There is, however, a further restriction on the scope of the term "bribery" which does not apply to "corruption". Bribery involves an improper inducement which is of material benefit to the bribe-taker. This is not the case with all forms of corruption, even when a second party is involved. Helmore points out that in Britain:

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2. Harold D. Lasswell, "Bribery", in Edwin R.A. Seligman (ed.), *Encyclopaedia of the Social Sciences*, Vol.II (New York:1933), p. 690.
 3. David H. Bayley, "The Effects of Corruption in a Developing Nation", *Western Political Quarterly*, Vol.19 (1966), No.4, p. 720.
 4. Robert C. Brooks, "The Nature of Political Corruption", in Heidenheimer, *op.cit.*, p. 57.

... as far back as 1769 it [i.e., bribery] was defined as arising whenever a person bound by law to act without any view of his own private emolument, engages with another by a corrupt contract, on condition of payment or promise of money or other lucrative consideration to act in a manner prescribed by the other.⁵

Thus misappropriation of funds is a form of corruption which is not bribery because it does not necessarily involve any transaction between two people. Similarly, nepotism cannot be classed as bribery because the person who actually commits the corrupt act does not normally stand to gain any personal material advantage from his action.

There is yet a third essential characteristic of bribery which is not present in all instances of corruption. This difference will be most easily seen in relation to the next category, extortion.

Extortion

As Lasswell's above-cited definition makes clear, a third necessary condition of any act of bribery is freedom of choice on the part of the bribe-taker. A person can only be said to be bribed when he accepts an improper inducement which he could have chosen to refuse. When his free choice of acceptance or rejection of this improper inducement is withdrawn and he is coerced into a course of action against his will, bribery becomes extortion. The two are obviously similar and in some legal systems the distinction between bribery and extortion is non-existent. Yet the difference is an important one, for without freedom of choice between alternatives it is doubtful whether responsibility for the corrupt act can be legitimately imputed to both parties concerned, a difficulty of some legal and moral consequence which is much less acute in the case of bribery. Nonetheless,

5. L.M. Helmore, *Corrupt and Illegal Practices* (London: 1967), pp. 27-28.

where opportunities exist for extortion there is a possibility that the victim may have been guilty of corruption in the past, particularly when extortion takes the form of blackmail - the threat of public disclosure of past misdeeds which the extorted party prefers to keep secret.

Misuse of Office

"Misuse of Office" is a broad term which may be of even wider scope than "corruption" itself, as it is capable of an interpretation which includes inefficiency, incapacity, and possibly even those activities which, while not completely sanctioned by society, are not regarded with sufficient disapprobation to warrant condemnation as "corrupt".

Such a broad interpretation is probably a distortion of the correct usage of the term however. In his detailed discussion of misuse of office Venkatappiah specifically rejects inefficiency and incompetency from its ambit. According to him:

Public office may be incompetently filled or its duties inefficiently performed. This indeed is often the case, but it is not the same as misuse of office. Misuse implies the doing of something improper; and the essence of the impropriety is the replacement of a public motive by a private one.⁶

Not only does Venkatappiah see "misuse of office" as a term of no wider scope than "corruption"; in fact he uses them as synonymous, and it is at this point that his definition breaks down. He writes:

When the satisfaction sought is material gain, the misuse is usually termed "corruption". But

6. B. Venkatappiah, "Office, Misuse Of", in David L. Sills (ed.), *International Encyclopaedia of the Social Sciences*, Vol.11 (New York: 1968), p. 272.

private satisfaction may take various other forms, and the term "corruption" is sometimes used to include them as well. Further, the beneficiaries may extend beyond oneself to one's family, one's friends, one's community. The holder of a public office is said to have misused his position when, in pursuit of private satisfaction as distinguished from the public interest, he has done something which he ought not to have done, or refrained from doing something he ought to have done.⁷

Venkatappiah thereafter used "corruption" and "misuse of office" as interchangeable, and thus rejects the possible distinction between the two which he acknowledges above - that misuse of office for private material gain is corruption while misuse of office for non-material gain is not. While agreeing with Venkatappiah that such a distinction is invalid, it is held nevertheless that the two terms are not synonymous; that there is a distinction, albeit a rather minor one. For whereas an act of bribery concerning a public official involves misuse of office, only the official who has been bribed has misused his office; the briber has desired and tempted him to do so, but provided he holds no official position himself, has not been guilty of misuse of office, though he has undoubtedly been involved in an act of corruption. "Misuse of office", then, is neither identical with, nor greater in scope than "corruption". It is, like "corruption", an imprecise term covering a wide range of practices, though slightly narrower in scope than "corruption".

Jobbery

"Jobbery", a seldom-used term nowadays, is simply the turning of a position of public trust to private advantage, and as such may be equated with "misuse of office", though it might be argued that

7. *ibid.*, p. 272.

"jobbery" carries a stronger implication of misuse for specifically material gain than does "misuse of office".

Misappropriation (of funds)

"Misappropriation" may refer to two different things. Firstly, it may refer to the channelling of public funds into an area for which it was not earmarked. In this case whether it can be construed as corruption probably depends on the circumstances in which it occurs. In its second form, more commonly referred to as embezzlement, misappropriation of funds is probably the easiest form of corruption to define. It is simply the illicit use of money which is not one's own (in this case, public funds) for one's own purposes. As such it is a particular and extremely important form of jobbery.

Conflict of Interest

Conflict of interest is not in itself a form of corruption, but is a condition in which it is believed corruption is likely to flourish. A conflict of interest is said to exist whenever, in the course of a public official's proper administration of his office, the public interest and the official's own private interests come into conflict. In recent years questions of conflict of interest have been among the most thorny problems of corruption, and will be looked at in greater depth later.

Treating

Historically "treating" has been defined as a specifically electoral abuse, and as such is no longer prevalent in highly developed electoral systems, though it still flourishes in many developing countries. Helmore defines it thus:

Treating arises when any person corruptly,
by himself or with another, before, during or

after an election, directly or indirectly, provides meat, drink or entertainment to or for any person for corruptly influencing him to vote or refrain from voting. Both giver and receiver are guilty.⁸

While treating as described by Helmore is now of little importance in advanced electoral systems, there is an activity similar to treating which may give the concept contemporary relevance if one is willing to forego insistence on the historically electoral nature of the phenomenon as essential to the definition. If "treating" has any currency today it is rarely in an electoral context.⁹ Nowadays its most common manifestation is the fêting of figures in authority by an individual or organization with a vested interest in securing a favourable result in a pending official decision, such as the awarding of a government contract or the adoption of a particular policy which will favour one set of interests against another.

Undue Influence

Undue influence has an historical relationship to treating similar to the relationship between bribery and extortion. Here too, the basic difference is one of free choice against coercion. Just as treating was the attempt to woo votes by supplying the voter with material benefits (in this case free food and drink), and was therefore a particular form of electoral bribery, so undue influence was a form of extortion, in that it was the securing of votes by force or threat of force. Helmore points out that in the Corrupt and Illegal

8. Helmore, *op.cit.*, p.28.

9. Insofar as treating does continue to exist in an electoral context, its character has somewhat changed. No longer do individual candidates woo voters on election day. Now treating is more likely to consist of a political organization fêting a powerful individual or organization in the community, not for votes, but for financial support to meet the enormous costs of electioneering.

Practices Act, passed by the British Parliament in 1883, "undue influence"

... covered the use of threat of force to inflict injury to prevent the free exercise of the franchise. Every person who directly or indirectly by himself or another made use of or threatened to make use of force, or restraint, or to inflict temporal or spiritual injury or loss upon a person, to induce or compel him to vote or refrain from voting, or by abduction or contrivance from giving or refraining from giving his vote, was guilty of undue influence.¹⁰

The Secret Ballot Act of 1772 largely eliminated undue influence in Britain.¹¹ Obviously undue influence could only be successfully employed while the intimidator had means of checking the results of his work, a facility denied him after 1772. In most electoral systems where secret ballot has been introduced and rigidly enforced the result has been similar -- the virtual elimination of undue influence as a vote-winning device.

Patronage

Hugh Bone defines patronage as:

The right vested in a person, official or political party to appoint persons to offices and positions, to award contracts, and to dispose of emoluments and other favours. The person or organization holding the right to appoint or bestow favours is not exclusively moved by considerations of the merits or competence of the appointee.¹²

10. Helmore, *op.cit.*, p.28.

11. It should be pointed out however, that undue influence often remains an important factor in the election of trade union officers where secret ballot is not required, not only in Britain, but in most industrial societies. See Horatio Vester and Anthony H. Gardner, *Trade Union Law and Practice* (London:1958), pp.65-66.

12. Hugh A Bone, "Patronage", in J. Gould and W. Kolb (eds.), *A Dictionary of the Social Sciences* (London: 1964), p. 486.

One objection may be made to Bone's definition. The ability to distribute patronage is not necessarily a "vested right". Patronage may be distributed by a powerful group or individual acting behind the scenes - a figure with no formal power; with no rights "vested" in him by virtue of his office. The American machine boss for example, was never vested with any right to distribute patronage.

Patronage is not everywhere regarded as corrupt. It is an inbuilt feature of the American governmental system for example, and it is the essence of the British honours system. Each time a President-elect appoints his cabinet he is exercising a legitimate power of patronage vested in him by his new office. Each New Year's honours list announced by the British monarch is similarly a distribution of patronage which is officially sanctioned. Patronage is not as closely identified with corruption as are most of the other concepts dealt with in this chapter then, and it is certainly these legitimate uses of patronage which Bone had in mind when he formulated his definition.

Apart from situations such as those described above however, patronage is often held to be a corrupt practice. Venkatappiah states:

Patronage and influence go hand in hand
with corruption, and all three indicate
a very poorly developed social conscience,
for which personal profit and private loyalty
take precedent over public duty.¹³

As a corrupt practice patronage is less prevalent today, the most excessive abuses having been eliminated, particularly in industrially advanced nations. Patronage was widespread in England in the seventeenth and eighteenth centuries, though it began to die out in the

13. Venkatappiah, *op.cit.*, p. 275.

nineteenth century, along with many other abuses. In the United States, patronage was particularly rife around the turn of the century, when the spoils system was in its heyday. Where patronage remains prevalent it often has the sanction of tradition and occurs in places where western bureaucratic norms have not completely supplanted pre-western values.

Nepotism

Nepotism is the particular form of patronage whereby persons in authority use their favoured position to provide advantages for relatives. Aikin states: "The family relationship distinguishes nepotism from the broader but closely related terms, 'patronage' and 'spoils'."¹⁴ There is also a further distinction. Unlike "patronage", "nepotism" is essentially a political term. The word "patronage" is in much wider general use, and outside its political context does not necessarily carry a derogatory connotation. "The term 'nepotism' is not", according to Aikin, "commonly applied to the well-established practice of business men of appointing relatives to positions in business under their management."¹⁵

In addition to nepotism there are a number of other forms of patronage which can be distinguished from each other. These include sectarianism (undue favour to a co-religionist), communalism (undue favour to a member of the same clan, tribe or community) and even plain favouritism (undue favour to a personal friend or some other favoured individual). These forms of patronage bear the same relationship to patronage as does nepotism and require no separate analysis.

14. Charles Aikin, "Nepotism", in Gould and Kolb, *op.cit.*, p. 465.

15. *ibid.*, p. 466.

There are, in addition, a number of other terms which carry a suggestion of corruption, but which many people would defend as legitimate political activities. The electoral practices, known as gerrymandering and vote weighting fit into this category. While many see it as a cynical and corrupt abuse of power on the part of those responsible, gerrymandering (and vote weighting) is often justified as necessary to provide adequate parliamentary representation for special interests. To some extent lobbying also fits into this category. While lobbying is now widely regarded as an acceptable political activity, albeit one which requires strict regulation for some people, particularly in the United States where lobbying abuses have been most widespread, the word "lobby" immediately conjures visions of large-scale corruption, a legacy of the days when lobbying was largely unregulated and involved chronic abuses of power.

If the meaning of the term "corruption" was sufficiently straightforward to say that corruption is merely a cover-all term for all the practices outlined above, it would not be necessary to proceed further with this attempt to discover the nature of political corruption; it would be sufficient to say that corruption exists whenever one of these practices occur. Unfortunately the concept of corruption is much more complex. The "related concepts" which have been examined are mostly concerned with certain identifiable actions, and consequently permit much greater precision of definition¹⁶ than does the term "corruption", which is not applied to a specific action, but is rather an attribute; a quality according to which certain actions are

16. One obvious exception is "graft", which is a term almost as vague as "corruption" itself. It will be noticed that no attempt was made to define "graft" - the brief section on graft was merely concerned with placing graft in relation to corruption.

classified. These related concepts are merely forms which corruption usually takes, and while examples often provide valuable insight into a phenomenon, it is necessary to go beyond individual manifestations to arrive at its essential nature. Nor can this end be attained by considering these modes collectively, for they are only the current forms corruption usually takes, and in a different historical context corruption may wear different clothes.¹⁷ Moreover, even the above practices cannot be automatically regarded as corrupt in all circumstances, for conceptions of what constitutes improper behaviour by a public figure may vary considerably from one cultural milieu to the next. The implications of this problem make it impossible to see corruption as merely the sum of a number of universally-censured practices.¹⁸ Some activities (such as extortion, undue influence and misappropriation of funds) would probably be regarded as corrupt in any context, while others (such as nepotism, patronage, treating and perhaps even bribery¹⁹) may, in some circumstances, be regarded as legitimate practices. Any attempt to divine the nature of corruption from an analysis of those concepts most often associated with

17. This theme is expounded further in chapter 2.

18. The culturally variable nature of corruption will be examined in detail in chapter 4.

19. See the remarks of Rogow and Lasswell. They write:
In functional terms we say that bribery is corrupt, since it is destructive of public order for anyone to tender to receive an inducement for the purpose of promoting special interest above common interest. Conventionally, however, the prescription of various public and civic systems may diverge greatly from one another. The legal code may seek to reach only the bribe-taker and leave the bribe-giver or offerer alone. In some communities only 'extreme' payments or offers are considered threats to the common interest; elsewhere any payment may be forbidden.

[Arnold A. Rogow and Harold D. Lasswell, *Power, Corruption and Rectitude* (New Jersey: 1963), p. 133.]

corruption is likely to meet with limited success therefore. In order to gain a true appreciation of corruption, it is necessary to examine those characteristics within a society which lead to the labelling of certain actions as "corrupt" and the sanctioning of others which may be considered corrupt elsewhere. As the first step in this wider investigation, the historical manifestations and impact of corruption will be examined.

CHAPTER 2.

CORRUPTION AS AN HISTORICAL PHENOMENON

Historical Influences on the Incidence of Corruption

While virtually all studies of political corruption have been confined to the nineteenth and twentieth centuries, corruption has existed ever since organized society first came into being. Its incidence and the forms which it has taken have, however, varied considerably according to the nature of the contemporary society.

As Senturia points out:

Corruption has not prevailed to an equal degree at all times or under all conditions. It has responded to varying opportunities for the misuse of power created by particular governmental institutions, to psychological drives present in the contemporary cultural milieu, to pressures arising under the existing scheme of economic arrangements.¹

The factors making for these "varying opportunities", "psychological drives" and "pressures" are many, but it is not difficult to list the more obvious of them. One of the most important is the size of the political unit. While political units remain at the family or small tribal level corruption rarely occurs.² It is notably far less a feature of the early Greek city-state than of any

1. Joseph J. Senturia, "Corruption, Political", in Seligman, *op.cit.*, Vol. IV, p. 449.

2. As Senturia rightly states:
 What we know of primitive society suggests that on the whole corruption is scarce, primarily because of the dominance of tradition in determining conduct and the immediacy of control which is possible in the usual small unit.
(ibid., p. 449.)

of the other early civilizations of which we have fairly detailed knowledge, primarily because the Greek polis remained a politically small unit. Once the city-state system began to disintegrate to be replaced by larger political groupings, corruption became a major characteristic of Greek political life.³ Conversely, where large political units developed, corruption flourished. It was a feature of the earliest Nile civilizations. "Corruption," writes Venkatappiah, "is at least as old as the pyramids."⁴ Senturia contrasts the high degree of corruption among those African tribes which developed large political organizations against its relative insignificance among political units based on small tribal groups.⁵ Corruption was also rife in the large Persian, Macedonian and Chinese empires.

It is in the Roman Empire, at its peak the greatest political and administrative entity the world had then seen, that corruption reached its historical zenith. The Roman character is popularly seen as a mixture of irreconcilable opposites, described by Donald Earl

3. It is no accident that corruption reached its zenith in Athens in the years during which the Delian League was transformed into the Athenian Empire and thereafter until the rise of Macedonia finally destroyed Athenian imperial power. Venkatappiah states:

The city-states of Greece, which in some respects represent the highest levels attained by European civilization, had one feature in common with the most primitive tribal organizations: the smallness of the unit of government and the consequent direct contact between the ruler and the ruled. In these circumstances, there have been occasional abuses of power through tyranny or open aggrandizement, but little or no misuse of it in the sense of corruption and the subterfuge that normally accompanies corruption. Nevertheless, by about the fifth century, corruption assumed fairly serious proportions in the Greece that emerged from the older city-states.

(Venkatappiah, *op.cit.*, p.273.) He quotes from the Egyptian *Book of the Dead* to support this submission.

4. *ibid.*, p. 272.

5. Senturia, *op.cit.*, p.449.

thus:

On the one side stand grave and reverend senators, unbendingly devoted to the public service and administering a world empire with severe and impartial justice. On the other recline abandoned voluptuaries, given over to orgiastic corruption and the more recondite delights of the most exquisite depravity.⁶

Earl then points out that both pictures are caricatures; "grotesque exaggeration of lineaments existing in the original".⁷ There is, however, no doubt that in Rome the strongest traditions of the importance of public duty existed simultaneously with the most blatant and shameless moral and political corruption. In the seventy years from the fall of the Gracchi to the final collapse of the Republic, provincial governors extorted enormous fortunes during their brief pro-consular governorships, while in Rome itself the law courts were openly used as political weapons. Each time one faction succeeded in seizing political power one of its first tasks was to pass legislation aimed at wresting control of the law courts from the previous power-wielders. The courts would then be used to persecute supporters and sympathisers of the deposed faction. One of the better known examples of this is the prosecution of returning provincial administrators associated with the former ruling faction in Rome on trumped-up charges of misappropriation of public money. In many, if not most, cases the victim would indeed be guilty, but whether or not this was so was of no relevance to the prosecutors. And to this must be added the broken alliances, betrayed friendships and treacherous double-dealings of the ambitious as they fought their way to power,

6. Donald Earl, *The Moral and Political Tradition of Rome* (London: 1967), p.11.

7. *ibid.*, p.11.

building up large, private armies in the process, with which they set about tearing the Republic asunder.

Nevertheless at this time Rome could boast citizens with the impeccable sense of public duty and personal morality of Metellus Numidicus and the Elder Cato. A glimpse of the dichotomy between principle and practice⁸ can be obtained from the following extract from Sallust's *Conspiracy of Catiline* which compares the greater public virtue of Rome in the days before she amassed an empire with the situation as he found it in 44 B.C.:

... virtue was held in high esteem. The closest unity prevailed, and avarice was a thing almost unknown. Justice and righteousness were upheld not so much by law as by natural instinct ...

Thus by hard work and just dealing the power of the state increased. Mighty kings were vanquished, savage tribes and huge nations were brought to their knees; and when Carthage, Rome's rival in her quest for empire, had been annihilated, every land and sea lay open to her. It was then that fortune turned unkind and confounded all her enterprises. To the men who had so easily endured toil and peril, anxiety and adversity, the leisure and riches which are generally regarded as so desirable proved a burden and a curse. Growing love of money, and the lust for power which followed it, engendered every kind of evil. Avarice destroyed honour, integrity, and every other virtue, and instead taught men to be proud and cruel, to neglect religion, and to hold nothing too sacred to sell. Ambition tempted many to be false, to have one thought hidden in their hearts, another ready on their tongues, to become a man's friend or enemy not because they judged him worthy or unworthy but because they thought it would pay them, and to put on the semblance of virtues that they had not.⁹

8. Such a dichotomy undoubtedly existed. Earl points out that: "since politics at Rome were personal and social, the language of politics mirrors this condition: all Romans saw political issues in personal and social terms." *ibid.*, p. 17.

9. Gaius Sallustius Crispus, *The Conspiracy of Catiline*, trans. by S.A. Handford (Harmondsworth, Eng.:1963), pp. 180-181.

Sallust's lamentation of the passing of the "good old days" as Rome extended her empire throughout the entire Mediterranean, leads us to a consideration of a second important factor in the creation of the conditions in which corruption flourishes, a factor which arises directly out of the nature of large organizations, and which makes them more prone to corruption than smaller organizations.

As political and administrative systems become increasingly complex, it is natural that there should arise a large professional administrative group, charged with the task of shouldering the increased administrative burdens and with regulating the economic interplay between private individuals and governing authorities. Under these circumstances opportunities for engaging in corrupt practices are greatly increased. Thus corruption did not suddenly blossom in Rome merely because Rome's political boundaries had become vastly wider, but because a large army of public officials was hastily required to administer the new provinces. Faced with great temptations, and isolated as they were from Rome, the provincial administrators were a law unto themselves. Personal enrichment by abuse of power was easy, and this atmosphere of official dishonesty swiftly spread to Rome itself, where traditionally rigid standards of public duty and honesty were unable to withstand the pressures created by the sudden influx of wealth from the provinces and spoils from newly conquered lands.

Most large political units, and particularly those with empires, have suffered problems similar to these. As E.A. Kracke points out: "One of China's most significant contributions to the world has been the creation of her system of civil service administration."¹⁰ Yet

10. E.A. Kracke Jr., "Family Vs. Merit in Chinese Civil Service Examinations under the Empire", in S.L. Bishop (ed.), *Studies of Government Institutions in Chinese History* (Cambridge, Mass.: 1968), p.173.

even this highly developed system was not impervious to widespread corruption in certain periods of Chinese history.¹¹ Venkatappiah points out that Confucius himself was concerned with the problems of governmental corruption. He cites Confucius' pupil, Mencius, as having given the following advice to King Hui of Liang:

If a King says "What will profit my Kingdom?", the high officials will say "What will profit our families?", and the lower officials will say "What will profit ourselves?"... Let your Majesty speak only of humanity and righteousness.¹²

The history of European colonialism presents a similar picture, and to this day administrative corruption in colonial India is regarded by many Englishmen as the most shameful disgrace in the history of their Empire.¹³ Nor did the traders, administrators and functionaries who found easy pickings in the colonies confine their activities to distant imperial outposts. Wraith and Simpkins describe the situation in England as the power of George III and the traditional aristocratic class began to decline in the late eighteenth century thus:

... the control of the boroughs tended to pass to a new group, the "nabobs". These were the East and West Indian merchants of whom Lord Chesterfield so quercusly complained; they had done well out of the great victories of the elder Pitt, had

11. See T'ung-tsu Ch'u, *Local Government in China under the Ch'ing* (Cambridge, Mass.: 1962), pp. 32-33, 49-53, 67-70, 185-193.

12. Quoted in Venkatappiah, *op.cit.*, p. 273.

13. The Indian scholar, John Monteiro, has this to say of India's early colonial history:

The age of exploration and colonization established the same conditions which had resulted in the exploitation of the provinces under the Roman Republic. Spanish and Portuguese governors enriched themselves through their almost absolute power over colonies far removed from the central government.... The officials of the British East India Company amassed fortunes by a variety of venal practices.

[John B. Monteiro, *Corruption: Control of Maladministration* (Bombay: 1966), p.20.]

a great deal of free capital to spend on their return, and like most people, wanted power in addition to wealth. Many of the merchants who had gone out to India from Manchester found bribery to be just as useful in the Commons as in Calcutta, and sometimes they combined to purchase a borough.¹⁴

Moreover, corruption in colonial administrations was not the province of an unscrupulous few. The taint of suspicion even extended to Warren Hastings and Robert Clive. "The greatest of the empire builders," writes Venkatappiah, "had been among those who had 'shaken the pagoda tree' most violently."¹⁵

The evidence seems to indicate then, that corruption is most rampant in large political systems in which an intermediate administrative class is interposed between the rulers and the ruled, rather than in smaller units where any administrative class which does exist can be subjected to greater scrutiny and control. It is by no means inevitable that where there is a large political unit with a powerful bureaucratic class, corruption is bound to be prevalent. These are merely the conditions under which corruption is most likely to flourish. Other factors may be present, however, which combine to reduce corruption levels in some large organizations.

One of the most important of these factors was the historical dominance of the monarchy. Van Klaveren argues that "the more developed the monarchy, the greater its corruption-checking tendency, to the point that corruption disappears completely in an absolute monarchy, as in the case of the Inca state."¹⁶ According to van

14. Wraith and Simpkins, *op.cit.*, p.67.

15. Venkatappiah, *op.cit.*, p. 273.

16. Jacob van Klaveren, "Corruption as a Historical Phenomenon", in Heidenheimer, *op.cit.*, p. 69.

Klaveren, corruption is likely to decrease in accordance with a monarch's ability to maintain personal scrutiny over all aspects of his kingdom's public life. A number of observations can be made in support of van Klaveren's contention. It is noticeable, for example, that bribery decreased significantly after the Empire rose to replace the discredited Roman Republic, and on those few occasions when Rome was blessed with a conscientious and firm emperor, the incidence of corruption declined still further. Similarly corruption was less prevalent in those European kingdoms which were ruled by strong (though often tyrannical) monarchs than it was in those monarchies which were ruled by weak, vacillating kings in which the courtiers and ministers were able to claim increased power.

In criticism of van Klaveren's theory it is often pointed out that, in general, corruption was an important element in the public life of most European kingdoms. The reason for this, of course, is that the absolute monarch is an ideal-type rarely (if ever) found in practice outside small primitive political units. In England, for example, the principle was established that the king should have a council of advisers to which he was obliged to refer from time to time and which, it was conceded, possessed certain privileges. Thus the monarch's "absolute" power was restricted, and although several kings, notably the Stuarts, attempted to re-assert the principle of absolutism, the council continued to increase its authority. From 1215 when the barons extracted concessions from John I through the Magna Carta, until the supremacy of parliament was finally proclaimed in 1689, few monarchs were able to avoid conflict with the evolving parliament. With his wishes often thwarted by a recalcitrant

assembly, the monarch frequently resorted to bribery, which, Senturia explains:

re-appeared in Europe with the rise of representative assemblies to power, especially over finances. Charles V [of Spain] bribed the Cortes to vote him finances. William III and George III of England manipulated elections and bought votes to secure financial support in Parliament.¹⁷

Nor was bribery restricted to transactions between king and council. As the embryonic parliament gained greater financial power, bribery became a fact of life in dealings between people and parliament and intra-parliamentary intercourse.

Possibly more important than the growth of parliaments, however, was the growth of intermediary administrative groups (though the distinction was virtually non-existent at first). The European monarchies were too large and complex for any monarch to rule without the assistance of advisors, envoys and administrators. Only if the monarch maintained firm control over his civil servants could he possibly minimize corruption. Van Klaveren is at pains to point out that it was certainly in the monarch's best interests to eliminate corruption as far as possible.¹⁸ Usually, however, he was unable to check the growing independence of the intermediary groups. Yet the countervailing power which a monarch might be expected to exert

17. Senturia, *op.cit.*, p. 450.

18. He writes:

It is possible that he [i.e., the monarch] might allow his civil servants to maximize their income in dealing with the public. However, this would loosen the relationship between the civil servants and the monarch's decision making power. The civil service would disintegrate into a number of "maximizing units", each with its own interests, and would thus become unreliable for the execution of national policy.

[van Klaveren, *op.cit.*, pp. 68-69.]

over corruption is rarely effective unless his power is absolute and his kingdom is small enough to make personal surveillance and control of all intermediary group activities possible. Furthermore, when the monarch is in conflict with advisory or legislative councils or civil servants and is unable to impose his will on them, corruption becomes a means of conflict mediation.¹⁹

A second moderating influence on the incidence of corruption is the ideological fervour and enthusiasm which has been characteristic of many dynamic leaders and governments. The most obvious recent examples are those countries which have undergone communist revolutions. Senturia, writing in the 1930s, suggested that:

The tremendous improvements in official morality which the Communist government of Russia has achieved indicate that a violent break with the traditions of the past is possible. But the reason for the change is to be sought less in the fact of the revolution itself than in the crusading zeal of the Communist party, which leads it to ferret out and punish severely all corrupt officials.²⁰

This type of "inspired" public morality is difficult to maintain permanently however, and often passes with the demise of the outstanding leader(s) or the transfiguration of popular enchantment to cynicism as the regime fails to achieve its stated objectives. This

19. Van Klaveren writes thus:

The people exist not only for the king, but also for the intermediary group. The monarch may adjust to letting these intermediary groups claim what they regard as their due portion of the national income. It is obvious that relevant opinions may diverge, in which case tensions may occur. There may ensue a struggle around the distribution of the national income.... The intermediary forces tend to nurture corruption, whereas the monarch tends to check corruption.

(*ibid.*, pp. 68-70.)

20. Senturia, *op.cit.*, p. 451.

has certainly been the case with those ex-colonies which attained independence on the wave of the anti-colonial revolution amid a moral and ideological fervour similar to that which characterized the accession of communism to Russia and China. The initial euphoria was soon dispelled and replaced by cynical disillusionment, and extremely high rates of corruption now prevail in the new nations of Africa and Asia.

As well as these forces which mitigate against corruption, there are a number of important factors which have contributed to an increase in levels of corruption during certain periods of history. The most important of these is war. Senator Paul Douglas finds this puzzling:

Just why moral standards should slip backwards at such times is still something of a mystery. Perhaps war uses up such a large part of the idealism of many men that they tire of living on so unselfish a plane. Perhaps the brutalities of war, which are as real as its idealism, coarsen other men and make them ready to use unworthy means. Possibly the tendency to relapse is heightened by the fact that many war profiteers have made fortunes at a time when others have sacrificed their lives, thus making men feel that the wages of virtue are death and that selfishness ultimately triumphs. These sharp contrasts within society, as well as the fact that the positive idealism of the announced war aims is seldom realized later, disillusion men and make them despair of the life of virtue.²¹

Whatever the underlying reasons for the decline in standards of public ethics in times of war, there can be no doubt that wartime conditions provide ample opportunity for this lowering of norms of public morality to work itself out in practice. (Probably the increased opportunity for successful engagement in corruption is the

21. Paul H. Douglas, *Ethics in Government: The Godkin Lectures at Harvard University* (Cambridge, Mass.: 1952), pp. 69-70.

chief cause of the decline in standards - a factor which an unpromising moralist such as Douglas, concerned as he is with tracing the phenomenon to a prime cause in ethics, understandably overlooks.)

The effect of war has been summarised thus:

Particularly conducive to corruption are contracts for military supplies, especially in time of war. In modern times war has increasingly involved the expenditure of tremendous sums of money under conditions of relaxed public control. Public attention is focused on the battle front and on supplying the soldiers with everything they may need regardless of cost. After the war surplus war materials are disposed of at a trifle of their cost. Recognition by business men of the opportunities for tremendous profits increases the strain upon the honesty of public officials. The fortune which the Duke of Marlborough is alleged to have made out of illicit war contracts while commanding British troops, the wire pulling by members of Parliament in the latter part of the eighteenth century to obtain contracts for themselves, the scandals which followed the Boer War, are examples in point.²²

Furthermore, these are only the more obvious effects. What is not considered is the break-down in moral fibre which may afflict a people engaged in the prosecution of a long and difficult war, particularly if, in the course of the conflict, significant numbers of people undergo experiences which may deaden their normal moral susceptibilities. Thus a country reeling, perhaps collapsing, under the thrust of an invading force may suffer from widespread looting by people who would normally find the mere thought of such behaviour distasteful in the extreme, and formerly honest leaders and public servants in the act of fleeing from the invaders may not hesitate to help themselves to public money in order to assist their flight. A similar moral crisis may face a nation, and particularly its leadership, which is engaged in an unpopular war which a large

22. Senturia, *op.cit.*, p. 450.

minority refuses to support; a crisis which may result in a general cynicism and frustration on the part of the government and its policy-making assistants which is reflected in an increase in those dubious activities which are here collectively referred to as the grey zone of corruption.

A second factor which undoubtedly increases the likelihood of widespread corruption is gross inequality of wealth. As it is only in the last two hundred years that the minimization of economic differences has become a realistic and articulated social goal, many societies have been plagued by this important corruption-inducing feature. As the impact of gross wealth differentiation will be examined more closely in chapter 3 with particular respect to developing countries, no more shall be done here than to note its existence as an historical variable of some importance to the rate of incidence of corruption.

Thirdly, it was noted that under monarchical systems of government, corruption increased as power became increasingly de-centralized. If it is to be assumed from this that diffusion of power in any type of political system is likely to promote corruption, we may expect the problem of corruption to be relatively more serious in those polities which have incorporated within their structure, the principle of separation of powers. As this principle is of fairly recent application, there have been few historical instances from which to reckon the accuracy of such an assumption. The experience of the United States, however, suggests the validity of this supposition. As Peter Odegard explains:

Among the great modern nations the United States has had perhaps the least enviable reputation as

regards the probity of its political life. For this the American form of government is partially accountable. Separation of powers promotes an irresponsibility which facilitates corruption; by confusing the governmental process it makes impossible that vigilance which is not only the price of liberty but of political purity as well.²³

It would seem then, that diffusion of power²⁴ is a factor which facilitates corruption. Yet, by comparison with earlier monarchical systems, decentralization of power is a characteristic of most modern industrial nations, some of which are virtually free from corruption. This may be largely due to a number of technological characteristics peculiar to the last two hundred years which tend to mitigate against corruption, and hence act as a countervailing force to the natural tendency of democratically or oligarchically held power to increase corruption. It is to these characteristics that we now turn.

Developments Peculiar to the Nineteenth and Twentieth Centuries

It has been noted that corruption flourishes best in large complex political units characterized by diffusion of power.

23. Peter H. Odegard, "Corruption, Political", in Seligman, *op.cit.*, Vol. III, p. 452.

24. Many contemporary social critics would hold that power is not diffuse or de-centralized. It is contended here that in a modern industrial state the decision-making process is so complex that even if power has been appropriated by one section of society, which may be numerically small in terms of its proportion of society as a whole, in real terms it will of necessity be sufficiently large to promote the irresponsibility of which Odegard speaks. In this way diffusion of power can be seen as a characteristic, not only of systems based on the principle of separation of powers, which rests on de-centralization as a desirable principle of power devolution, but also in those forms of government which recognize no such principle. In modern society there is a point beyond which centralization of power becomes a physical impossibility.

Political units are now larger and more complex than ever before, while the size and power of bureaucracies had increased in proportion to their growing ubiquity. Yet standards of public morality have never been so rigid, and corruption is probably less prevalent than it has been on numerous occasions in the past. According to van Klaveren, as an historical occurrence "the phenomenon occurred much more frequently prior to the French Revolution",²⁵ and McMullen asserts:

Only very recently and in only a handful of countries has such corruption been so far reduced as to be practically negligible, that is to say so far reduced that it does not normally enter into a citizen's relations with his government. In most countries throughout most of their known history, such corruption has been an accepted feature of life.²⁶

The more obvious developments can be easily identified. One of the most important was the spread of literacy and improved communications, which in turn led to the development of a more informed and critical public opinion, particularly and initially in Great Britain. It is hard to under-estimate the impact of the development of mass communications on political institutions in Britain. As political activities became more visible and political institutions more accessible thereby, it contributed directly to the growth of responsible mass-based political parties and a more sophisticated electoral system. Burn comments: "As Governments acquired more power and were based on highly-organized and disciplined parties, they ceased to need the comparatively few votes which corrupt practices

25. van Klaveren, *op.cit.*, p.67.

26. M.McMullen, "A Theory of Corruption", *The Sociological Review*, Vol.9 (1961), No.2, p. 181.

produced",²⁷ while approaching the subject from beneath, Gwyn states: "As the political awakening of the masses took place and the voter began to value his suffrage as a lever of political power rather than as a privilege for picking the candidate's pocket, corruption became outmoded."²⁸ Wraith and Simpkins agree:

It was only under a fully developed system that bribery and corruption, as an accepted system, received their *coup de grace*. The more that parties were able to communicate a serious sense of purpose, and a programme that affected both the nation and the individual in important ways, the less the ordinary person was disposed to treat an election as an amoral orgy; putting it somewhat lower, the great national parties had, in the moral climate of Victorian England, to appear virtuous at all costs.²⁹

Wraith and Simpkins' latter point is important. It is easy to under-estimate the importance of the moral climate of Victorian England. It is noteworthy that the sudden emphasis on political morality coincided with the spread of the franchise to men with some property and economic standing, precisely those small property owners and merchants who were most thoroughly imbued with the Victorian ideals of moral uprightness and strict execution of duty. Wraith and Simpkins are probably correct when they write: "It seems that whatever may have been the political and economic reasons for the decline of corruption, the puritanical thread in the fabric of Victorian England was important. It ran through society from top to bottom."³⁰

27. Burn, *op.cit.*, p. 442.

28. William B. Gwyn, *Democracy and the Cost of Politics in Britain* (London: 1962), p. 92.

29. Wraith and Simpkins, *op.cit.*, p. 75.

30. *ibid.*, p. 62.

Another particularly important development, and one which deserves consideration in some depth, is the development of universal standards of professional integrity among civil servants. Why should this ideal have developed? Obviously the attainment of adequate salaries and security of occupational tenure removed much of the motivation for bureaucratic corruption. In addition, as training and skill assumed greater premium, desire for social status and vocational prestige became important.³¹ Finally, in a world being radically transformed by a dramatic acceleration in the rate of population increase and by revolutionary technological advances, efficient administration was increasingly imperative. The adoption of rigid standards of professional conduct was one of the most significant responses to the growing pressure on bureaucracies to increase efficiency.³²

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31. Eugene and Pauline Anderson posit a three stage process of bureaucratic evolution, consisting of:

an early stage in which bureaucrats were referred to as "royal servants"; a second stage in which they were called "an artificial status group" (W.H. Riehl); and a final stage in which they had achieved a "metaphysics of bureaucracy" (Alfred Weber), when they became members of a cult and worshipped their own vocation. No longer acting only as a means, they had attained a way of life sanctioned by a superhuman ideal.

[Eugene N. and Pauline Anderson, "Bureaucratic Institutionalization in Nineteenth Century Europe", in Heidenheimer, *op.cit.*, p. 91.]

32. Max Weber explains:

Bureaucracy develops the more perfectly, the more it is "dehumanized", the more completely it succeeds in eliminating from official business, love, hatred, and all purely personal, irrational, and emotional elements which escape calculation.... The more complicated and specialized modern culture becomes, the more its external supporting apparatus demands the personally detached and strictly objective expert, in lieu of the lord of older social structures who was moved by personal sympathy and favour, by grace and gratitude.

[Max Weber, *Economy and Society: An Outline of Interpretive Sociology*, Vol. III (New York: 1968), p. 975.]

These developments are seen at their most dramatic in a study of the history of the British Civil Service. In the years immediately following 1689, Parliament set out to preserve its newly-won independence by excluding from its number officials holding positions of profit under the Crown.³³ It was hoped thereby to avoid the danger "that the King would purchase the support of Parliament by direct gifts of civil offices and pensions".³⁴ Thus in 1694 an Act setting up a new revenue board for stamp duties "provided that its members should not have seats in Parliament, and this ... is the first exclusion from membership of that body on account of employment."³⁵ Exclusion was extended to other offices in 1699, and in 1701 an Act of Settlement provided that "no person who has an office or place of profit under the King, or received a pension from the Crown shall be capable of serving as a member of the House of Commons",³⁶ a measure so sweeping in the changes it introduced that it was never fully implemented and in 1705 it was amended to apply only to a few existing offices and any new offices created from that time onwards.³⁷

Yet despite these early developments the impetus to wholesale reform did not really gain momentum until late in the eighteenth

33. Betty Kemp, *King and Commons, 1660-1832* (London: 1957), provides a detailed examination of developments during this period.

34. R. Moses, *The Civil Service of Great Britain* (New York: 1914), p. 20.

35. *ibid.*, p. 20.

36. Quoted in *ibid.*, p. 21.

37. See Kemp, *op.cit.*, pp. 57-60, and 116-119. In general then, early developments which mitigated against civil service corruption were closely allied to attempts by Parliament to assert its supremacy over the Crown.

century. It is no accident that this period should coincide with the peak of Edmund Burke's parliamentary career. Herman Finer says of Burke: "He was, perhaps, the first statesman to see the problem of the civil service as one of the efficiency of the administrative branch of government",³⁸ and if we are to fix any particular date to the beginning of the civil service revolution, the logical one would be February 11, 1780, which marks Burke's great speech to the House of Commons on civil service reform. The opening lines of the speech are sufficient to indicate Burke's standpoint on the issue of civil service reform:

I have endeavoured that this plan should include in its execution a considerable reduction of improper expense ... that it should lead to, and indeed almost compel, a provident administration of such sums of public money as must remain under discretionary trusts; that it should render the incurring debts on the civil establishment (which must ultimately affect national strength and credit) so very difficult, as to become next to impracticable.

But what, I confess, was uppermost with me, what I bent the whole force of my mind to, was the reduction of that corrupt influence, which is itself the perennial spring of all prodigality, and of all disorder; which loads us more than millions of debt; which takes away vigour from our arms, wisdom from our councils, and every shadow of authority and credit from the most venerable parts of our constitution.³⁹

Burke thereafter attempted to support his general remarks by exposing to the House the anomalies and redundancies in which the civil service abounded, and which made possible this widespread corruption and inefficiency:

We have, Sir, on our establishment, several

38. Herman Finer, *The British Civil Service* (London: 1937), p.32.

39. *Speeches of the Right Honourable Edmund Burke in the House of Commons and in Westminster Hall*, Vol.II (London: 1816), p.10.

offices which perform real service: we have also places that provide large rewards for no service at all. We have stations which are made for the public decorum; made for preserving the grace and majesty of a great people. We have likewise expensive formalities which tend rather to the disgrace than the ornament of the state and the court. This, Sir, is the real condition of our establishments.⁴⁰

By 1780 inefficiency in public administration in Britain had reached the point of crisis. As Burke pointed out, many branches of the public service worked under obsolete medieval procedures.⁴¹ Accounts of notched sticks were not abolished in the Exchequer until 1825 for example, a ludicrous practice dating back to the reign of Edward III. In S.E. Finer's words: "In the management of the executive branch of British Government, any reformer had to tackle the dead weight of centuries."⁴² Inefficiency was further enhanced by the fact that each department had its own treasury, which rendered effective budgeting virtually impossible.

Not only had the system become cumbersome and unwieldy; but the monarch still retained sufficient power to seriously compromise the effective execution of public administration:

H.M. Ministers were in fact, as well as in law, the King's Ministers. True, they had to enter into some working arrangement with the House of Commons in order to do the King's business, but it was to the King that their responsibilities lay ... the executive was the King's executive and it lived apart from

40. *ibid.*, p. 25.

41. S.E. Finer has noted that almost no office or department had been abolished since the Norman Conquest, though many had long been deprived of their function. S.E. Finer, "Patronage and the Public Service", *Public Administration*, (London), Vol. 30 (1952), No. 4, p. 334.

42. *ibid.*, p. 334.

Parliament, controlling its own internal movements, making its own intestinal arrangements - so long as it could persuade Parliament⁴³ to grant it the funds which it deemed necessary.

Furthermore the monarch had complete discretion as to what money would be allotted to the civil service.⁴⁴ It is not surprising, therefore, that early reform movements demanded that the monarch be subjected to greater financial accountability to parliament.

Many of the civil service's problems can be traced to the prevalent notion that government office was a personal possession, which could be bought and sold, passed on from father to son or awarded to political supporters and family friends.⁴⁵ Given the practice of paying clerks by a fee system rather than a fixed salary, and the fact that the doctrine of ministerial responsibility was still very much an embryonic concept, the potential for abuse was enormous. Herman Finer describes the situation thus:

The memoirs of English statesmen between this time [i.e., 1780] and 1855, show very clearly how little efficiency was regarded in appointments to office. The career was open not to talent, but to family and political influence.

43. *ibid.*, pp. 334-335.

44. The Civil List, in theory was:
the fund by which all foreign and domestic business of the kingdom was financed. Granted to the Monarch for life, once granted it was therefore free from any ordinary Parliamentary interference. Of course it was wholly inadequate to bear the cost of government. (*ibid.*, p. 335.)

45. According to S.E. Finer this was a direct consequence of the tendency to regard the executive as the King's, with the result that:
the departments were not regarded as public departments. Ministers were the King's Ministers: but the departments they managed were largely the private establishments of those ministers. (*ibid.*, p. 336.)

The politicians dealt in "reversions" (i.e., "futures") to office,⁴⁶ buying and selling them for young children, who when old enough to be inducted into office, often drew the salary but employed some agent at a pittance to do the job.⁴⁷

The fifty years between Burke's speech and the passing of the 1832 Reform Bill saw a number of fundamental improvements.⁴⁸ S.E. Finer sees reform occurring "on a massive scale", with four very important results:

In the first place we must remark the rise of the Cabinet as a supreme controlling body; secondly, that the essential preliminary for Treasury control had been created; thirdly, that the public offices had been largely modernised⁴⁹; and fourthly, that there was an increasing divorce of administration from political considerations.⁵⁰

Thus the foundations of the modern professional civil service were laid in the fifty years between Burke's historic speech in 1780 and

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46. Cf. The statements of prominent public figures of the day cited by *ibid.*, p. 356. Lord Camden, Teller of the Exchequer: "I have considered the office which I hold as a freehold which I have inherited"; Early Gray: "These places are a vested property on which all property stands"; The Duke of Buckingham, describing his office of Teller of the Exchequer: "Property which is as much mine as the Crown is the King's."
47. Herman Finer, *op.cit.*, pp. 32-33.
48. Herman Finer characterized this period as one in which "there was a silent massing of the opposed forces of Utility and Patronage", *ibid.*, p. 33.
49. The work of Jeremy Bentham cannot be too highly valued in this regard. The adoption of the Benthamite principle of single-seatedness which came into effect after 1832 meant that responsibility could be located - one head official (outside Parliament but responsible to it) would be ultimately responsible for the running of his department. Bentham's "Constitutional Code" [Jeremy Bentham, *Works*, John Bowring (ed.), (Edinburgh: 1943), Vol. IX.] and "Official Aptitude Maximized, Expense Minimized", (*ibid.*, Vol. V) were the period's two most important theoretical contributions to civil service reform.
50. S.E. Finer, *op.cit.*, p. 348.

the First Reform Bill in 1832. "By 1830," writes S.E. Finer, "the stage was set for the great internal re-organization which was carried through after 1848."⁵¹

Civil service reform in the early eighteenth century was not an isolated phenomenon. It must be seen as one important element of a wide range of social political and economic reforms which a succession of relatively vigorous governments implemented during this period. Yet the promising tendencies in civil service reform stagnated somewhat after 1832.⁵² The most notable exception is the introduction of open competitive examinations for entrance to the Indian Civil Service. Patronage continued to flourish however, and this initial improvement is significant as a forerunner of reform.

By the 1850s pressure for reform had again mounted, and in 1853 Macaulay secured important reforms in the Indian Civil Service.⁵³ But the most important single contribution to civil service reform was undoubtedly the report prepared by Sir Stafford Northcote and Macaulay's brother-in-law, Sir Charles Trevelyan, entitled "The

51. *ibid.*, p. 352.

52. Moses explains that:

The Reform Bill of 1832 ... left patronage and the civil service undisturbed. It was succeeded by a period of controversy as bitter as it was barren of results; and in 1840 the Whigs, who had ushered in the auspicious era of reform, had sunk into little more than a patronage bureau.

[Moses, *op.cit.*, p. 23.]

53. These reforms involved "the complete abolition of patronage and the acceptance of the principle of open competition to all comers." (Herman Finer, *op.cit.*, pp.38-39.) Finer continues:

It is important to appreciate the character of Macaulay's suggestion, for it has dominated the English theory and practice of recruitment and promotion until today.

[*ibid.*, p. 39.]

Organization of the Permanent Civil Service" and presented to Gladstone, then Aberdeen's Chancellor of the Exchequer, on 23 November, 1853. It has been called "the blueprint of the modern civil service" and in the words of Maurice Wright, it came to be "recognized and revered as the greatest single influence upon the development of the modern service."⁵⁴ According to Wright the Northcote-Trevelyan Report was the culmination of:

inquiries ...begun in response to general alarm at the growth of public expenditure in the 1840s, the result of an increase in the scope and intensity of governmental activity.⁵⁵

The Report was a scathing indictment of the calibre of the quality of the civil service and civil servants. It called for an end to patronage and over-staffing, for promotion based on merit rather than seniority, for a system of literary examinations as the basis for entry into the service and for the removal of abuses where examinations already existed, and concluded by summarising its recommendations thus:

Upon a review of the recommendations contained in this paper it will be seen that the objects which we have principally are these:

1. To provide by a proper system of examination, for the supply of the public service with a thoroughly efficient class of men.
2. To encourage industry and foster merit, by teaching all public servants to look forward to promotion according to their deserts, and to expect the highest prizes in the service if they can qualify themselves for them.
3. To mitigate the evils which result from the fragmentary character of the service, and to introduce into it some elements of unity, by placing the first appointments on a uniform

54. Maurice Wright, *Treasury Control of the Civil Service 1854-1874* (Oxford: 1969), p. xiii.

55. *ibid.*, p. xiii.

footing, opening the way to the promotion of public officers to staff appointments in other departments than their own, and introducing into the lower ranks a body of men (the supplementary clerks) whose services may be made available at any time in any office whatever.⁵⁶

The importance of the Northcote-Trevelyan Report does not lie in its immediate effects. The Aberdeen Government resigned without any attempt to implement the Report's recommendations, and the new Prime Minister, Palmerston, made no attempt to put it into practice until the serious administrative shortcomings exposed by the Crimean War induced him to accept some of its less controversial recommendations, such as the establishment of a Civil Service Commission to test, by examination, the suitability of all applicants for positions in any department of the civil service. The Northcote-Trevelyan Report received a hostile reception from some sections of the civil service, and to immediately implement it in toto would have been an extremely difficult task for any government, let alone Aberdeen's tottering coalition. However, as Wright points out:

The purpose of their report was less to inform or persuade by argument than to point the way forward; it was a "reformer's tract or pamphlet", a "broadsheet or broadside", a manifesto of Civil Service reform.⁵⁷

It is in its capacity as a blueprint for reform that the importance of the Northcote-Trevelyan Report lies. Throughout the nineteenth century reform proceeded apace, along the lines suggested by Northcote and Trevelyan. The path of reform was long and arduous,⁵⁸ but by

56. Report of the Committee of Inquiry into the Organization of the Civil Service (Northcote-Trevelyan Report), 23 November, 1853, *Parliamentary Papers*, Session 1854, Vol. XXVII.

57. Wright, *op.cit.*, p. xv.

58. For instance patronage was not abolished in such an important department as the Treasury until the principle of open competition was adopted in 1870. Cf. G.A.Campbell, *The Civil Service In Britain* (London: 1965), pp. 35-45.

the turn of the century the British Civil Service had roughly assumed the shape it occupies today.

It is not to be assumed that the factors at play in Britain have been universally operative. In some instances the size and complexity of modern political systems have produced a degree of corruption which, it was suggested earlier, is more in keeping with the comparatively diffuse nature of political power normally found therein. It was mentioned that the United States provided a good example of a modern political system organized around the principle of decentralization of political power which has experienced considerable difficulty in eliminating corrupt practices from public life. In most cases corruption is attributable to the size and complexity of the institutions, though possibly more important is the rapidity with which American society developed, a rate of change which rendered many political institutions unworkable in the form of their conception. This, too, is a uniquely modern development, and one which is not confined to the United States. Kenneth Boulding writes:

In a very real sense the changes in the state of mankind since the date of my birth have been greater than the changes that took place in many thousands of years before this date.⁵⁹

The implications of such rapid social change for political institutions generally is obviously profound, but for our purposes it is sufficient to note that corruption is likely to be facilitated where political institutions become out of tune with the society which they exist to service. To return to the United States, it can be seen that the "golden age" of corruption, the years corresponding with the ascendancy

59. Kenneth Boulding, *The Meaning of The Twentieth Century: The Great Tradition* (London: 1965), p. 8.

of the political machine, also correspond with the period of most rapid and fundamental social change. The dynamics at work during this period merit further consideration.

There is general agreement that the administration of President Jackson marks the beginning of machine politics. In the words of Edward McChesney Sait:

Professional politics emerged in the age of Jacksonian Democracy; when the necessity of regimenting and mobilizing the newly enfranchised masses placed a great emphasis upon party organization. Politicians of a new type, proficient in the arts of management and scientific in their modes of action, rudely thrust aside the landed proprietors who had governed in the time of Hamilton and Jefferson.⁶⁰

Why should this have occurred? Alex Gottfried supplies the answer:

Machines developed in part to compensate for the fractionalization of governmental authority decreed by the national and state constitutions. The wide dispersal of power made effective and responsible government difficult, if not impossible Thus, frequently when important problems occurred and the people or some interests demanded firm, quick action, no one had adequate authority to act. The machine filled this lack. It was the only available means of redressing the rigidities of formal government structure.⁶¹

Thus "amid the conflicting claims of a disorderly democratic political society, the corrupt machine system has historically performed certain stabilizing functions."⁶² Specialization of political functions and the growing complexity of the governmental process had

60. Edward McChesney Sait, "Machine, Political", in Seligman *op.cit.*, Vol. IX, p. 657.

61. Alex Gottfried, "Political Machines", in Sills, *op.cit.*, Vol. 12, p. 250.

62. Sait, *op.cit.*, p. 658.

created a vacuum which no existing institution could fill.⁶³

To fully understand the nature of the political machine, it is necessary to appreciate the significance of the profound social changes which fully tested the resilience of American society. The industrial explosion had resulted in an enormous increase in the urban population. Virtually overnight a predominantly rural-based society was transformed into a thriving industrial nation. As small towns and villages mushroomed into huge cities, existing governmental institutions proved hopelessly inadequate to cope with these changes. The machine arose as an organic response to the crisis and became the medium which articulated and mediated the demands of the new urban masses. Many of the new city-dwellers had arrived from the countryside; many more were immigrants. Comments Gottfried:

City life of those days was more harsh and more cruel than it is today. Many immigrants were terrified. Even native-born rural-reared Americans found adjustment to the impersonal and dangerous city difficult. Such needed and wanted help.⁶⁴

63. Sait writes:

Politics became too complicated for the amateur. The absurd multiplication of elective offices, with short terms and rotation as a supposed safeguard against official arrogance, and the elaborate system of party primaries and conventions for making nominations gave the most conscientious voter a sense of frustration. He could not penetrate the technicalities; needing help he entrusted his baffling problems to the professional politician.

(*ibid.*, p. 658.)

64. Gottfried, *op.cit.*, p.250. A similar picture is provided by Elliott and Merrill. They write:

When an immigrant formerly arrived in New York or any other large city, friendless and alone, the chances were that his first contact with American institutions would be through the medium of a ward heeler. This individual made it his business to lend a helping hand to the newcomer. Naturally, the political henchmen received in return the confused support of the immigrant and his family at the polls.

[Mabel A. Elliott and Francis E. Merrill, *Social Disorganization*, 3rd edn. (New York: 1950), p. 532.]

The machine provided this assistance. It "managed, in immigrant-choked cities, to fashion a cacophony of concrete, parochial demands into a system of rule that was at once reasonably effective and legitimate."⁶⁵

If political machines came into being as a natural response to the existing circumstances and if they had a vital role to fulfil why were they regarded as the source and embodiment of so many evils? The answer lies in the relationship between the machine and the voter. For while those elected to office in elections were theoretically accountable to the electorate, the machine suffered from no such restraints, and lacking any responsibility to a higher authority, quickly degenerated into an institution whose sole *raison d'être* was to win (and wield) political power and control the spoils of office which accompanied it. Power was effectively taken out of the hands of the people and appropriated by a small group of professional power wielders. With the acquisition of power the machine's only goal, and with no over-riding authority to restrain its behaviour, the opportunities for corruption were boundless. Even Max Weber, who had a good deal of sympathy for the American "boss" (recognizing that in him and his machine lay the only practical alternative to rampant bureaucracy in a growing democratic culture), was well aware of the machine's

65. James C. Scott, "Corruption, Machine Politics, and Political Change", *American Political Science Review*, Vol.63 (1969), No.4, p. 1143. It should be noted, however, that Gottfried, in contradistinction to Scott, believes that the machine's role in this context was destructive rather than constructive. He believes that the machine aggravated these very tendencies; that many fled to the suburbs to escape corruption and high taxation (*op.cit.*, p. 250), that "criminal and twilight elements" preyed on the people with the machine's protection, and that the machines further complicated governmental machinery and the electoral process. (*ibid.*, p. 250.)

depredations:

... quite unprincipled parties oppose one another; they are purely organizations of job hunters drafting their changing platforms according to the chances of vote-grabbing, changing their colours to a degree which, despite all analogies, is not yet to be found elsewhere.... With 300,000 to 400,000 such party men who have no qualifications to their credit other than the fact of having performed good services for their party, this state of affairs of course could not exist without enormous evils. A corruption and wastefulness second to none could be tolerated only by a country with as yet unlimited economic opportunities.⁶⁶

In short then, the natural complexity and diffuse nature of power in modern polities tend to encourage corruption, particularly under conditions of rapid political and social change. For these reasons corruption continues to flourish in many countries, notably the U.S.A. and among developing countries. On the other hand the growth of professional administrative systems and popular awareness of political activity has counterbalanced these factors, so that on sum it is probably true to say that the last two centuries have been relatively free of corruption compared with times past.

Changing Concepts of Corruption

Not only does the incidence of corruption vary according to historical circumstance, but so too do the forms which it takes and conceptions of what is and what is not corrupt. Unfortunately there is a tendency to apply today's standards and concepts of corruption to historical situations. Yet if we are to ascertain how these concepts have varied through time, we must endeavour to discover what standards

66. H.H.Gerth and C.Wright Mills (eds.), *From Max Weber: Essays in Sociology* (New York: 1946), pp. 108-109.

of public ethics were held by whichever society we are examining. The Roman Republic, for example, had a strict tradition of the primacy of public duty, a tradition of public responsibility which placed great moral strain on the individual. The venality which characterized the last years of the Republic is therefore rightly understood as corruption - not only by our standards but also by their own.

In some cases historical variations in the concept of corruption are very slight indeed. Those forms of corruption involving official misuse of public funds have remained largely constant throughout history.⁶⁷ It is probably in attitudes to forms of corruption involving patronage that historical variations are most noticeable. Patronage has come to be viewed as a corrupt and undesirable occurrence only in the last two centuries - simultaneously with the emergence of the modern, politically independent and merit-oriented civil service. Prior to that it was not thought improper to use one's official position to materially benefit one's friends, family and allies. In a broader sense, class patronage was one of the very pillars on which the monarchical/aristocratic system was based.

A brief examination of the evolution of parliamentary procedure may serve to illuminate the historical transience of conceptions of

67. It would be wrong to suggest that there have been no changes at all, however. For instance, a practice such as the "rake-off" taken by officials charged with handling public monies may have been regarded as nothing more than the official's due in some cases - a legitimate vocational bonus. Such an activity was certainly deemed corrupt in Rome, but there are indications that it may not have been in the embryonic European kingdoms in which the taxing authority was the local lord of the manor who was in turn taxed by the king. The tradition of a powerful intermediate taxing authority with rights of its own was thus developed during the early years of the European nation-state.

corruption. As parliamentary practices evolved, many activities which had once been viewed as integral parts of the institution of parliament came to be seen as improper. The electoral practice of treating is one obvious example of a once acceptable electoral tactic which has been discredited with time. In recent years a number of practices, the validity of which was once unquestioned, have also come in for greater scrutiny. Many lobbying practices, such as the fêting of persons in authority by parties with a stake in the outcome of a pending government decision, fall into this category.

Finally, it would be wrong to assume that changing concepts of corruption have necessarily resulted in increasingly broader interpretations of the term's scope. Mencius' advice to King Hui, cited earlier, implies that for a king to consider profiting his kingdom was to act corruptly. Most people today would regard the furtherance of his people's economic prosperity to be one of the most important aims and duties of a leader. The difference between the two ideals is to some extent explicable by the fact that a monarch's personal economic well-being was much more closely related to the prosperity of his kingdom than is the case with most contemporary political systems. Nonetheless Mencius' stricture does indicate that certain aspects of public morality may have been stricter at times in the past than they are now.

CHAPTER 3.

CORRUPTION IN DEVELOPING COUNTRIES

If concepts of corruption vary according to historical circumstance, it follows that there will be considerable inter-cultural variation in concepts of corruption at any given point of history. As cultures are not static, but continually in a process of evolution, any analysis of corruption as a cultural variable must to some extent repeat the propositions examined in the preceding chapter. Nonetheless, much contemporary debate about corruption fails to take cognizance of variations in cultural background. It seems appropriate, therefore, to examine corruption in its contemporary cultural context, in the expectation that further light will thereby be shed on the nature of political corruption.

It was noted earlier that most contemporary literature on political corruption is focused on the world's developing nations, where what is generally seen as "corruption" is manifestly more flagrant and widespread than in other parts of the world. "Throughout the fabric of public life in newly independent states," write Wraith and Simpkins, "runs the scarlet thread of bribery and corruption. This is admitted by everybody ...",¹ while David Bayley writes of developing nations: "It would be probably not too much to say that it [i.e., corruption] forms a prominent, or at least not readily avoidable feature of bureaucratic life in these nations",² and again: "In many

1. Wraith and Simpkins, *op.cit.*, p.11.

2. Bayley, *op.cit.*, p. 719.

underdeveloped countries corruption is expected by the people as a part of everyday life. Public cynicism on this score is colossal."³ Such statements attesting to the ubiquity of "corrupt"⁴ practices abound. In this chapter the factors which contribute to the higher incidence of corruption in the Third World will be examined. An examination of the factors which cause corruption to be more widespread in some parts of the world than others will not only assist our understanding of the nature of corruption. It will also serve as an essential prelude to the consideration (to be undertaken in the next chapter) of whether, if corruption is a cultural variable, much of that which is termed "corruption" in developing nations warrants such a label.

The question of why developing nations should be more susceptible to corrupt practices than more heavily industrialised states obviously has no simple answer, and a number of factors, the relative importance of which will vary in each situation, must be held collectively responsible. In the words of Ralph Braibanti⁵:

There are at least a dozen platitudinous injunctions which are in common circulation with regard to corruption and which, because of their persistent ubiquity and their auto-narcotic effect, deserve mention. This is not to say that these injunctions are totally unimportant; on the contrary, they are

3. *ibid.*, p. 723.

4. Hereafter the word "corrupt" will not be enclosed in parentheses. It must be remembered, however, that we will be using the word "corrupt" in the sense in which it is usually understood in western countries, and it remains to be seen whether we are justified in applying the western concept of corruption to traditionally-oriented societies.

5. Ralph Braibanti, "Reflections on Bureaucratic Corruption", *Public Administration*, (London), Vol. 40 (1962), No.4, pp. 357-358.

significant even though not as single causes or cures. Their importance lies in the fact that they are but elements in a complicated matrix of causes, each of which is of varying importance depending on spatial, temporal, and circumstantial factors.⁶

One of the most frequently cited causes of corruption in developing nations is poverty. There is little doubt that corruption will flourish under circumstances of widespread poverty, as the motivation to engage in corrupt practices is obviously stronger and the rewards of success comparatively more lucrative. Braibanti, in his analysis of the influence of poverty on corruption, accepts this general position, but then introduces an important qualification:

Poverty is a factor to be considered, but it is not in itself the cause of corruption. It is true ... dire poverty mitigates sharply against altruism. The dispositions of vindictiveness, selfishness and stealing are encouraged since the survival of the fittest becomes the paramount law. But there are degrees of poverty. Abject poverty in which actual starvation occurs widely and frequently no doubt encourages corruption. But poverty above that level need not necessarily conduce to corruption.⁷

It is surprising that Braibanti should introduce as a qualification on the extent to which poverty influences corruption, this absolute division between "dire" poverty and that which occurs above the starvation level, since he himself goes on to assert the relativity of poverty - the need to apply to it the yardstick of "individual aspiration" - and thus finds himself in danger of contradiction. He

6. In general Braibanti's categories will be followed. Though his "platitudinous injunctions" consist of a hotch-potch of possible causes and remedies, and as we are more interested in causes here, the cures will be omitted for the time being.

7. *ibid.*, p. 360.

cites an example drawn from his experiences of the Indian situation⁸:

... a highly educated government official drawing R's 2,500 a month may be relatively just as poor as a peon drawing R's 100 a month. The official has been, in a sense, victimised by his education. His need for books, for western clothes and for his children's education are far greater than those of the peon. In this respect he may be poorer. Because of this, we commonly find the so-called "rich" who are corrupt and the so-called "poor" who are uncorrupt.⁹

Given the relativity of poverty as established in this instance, it seems absurd to talk about poverty "above and below starvation level" (unless "starvation" is also to be interpreted in a figurative rather than literal sense) as the determinant of whether corruption is likely to occur, and when "poverty" is seen to be a relative phenomenon, one must accept it as a prime factor in the high rate of incidence of corruption in developing nations. Many of these nations harbour dissatisfied elites (a traditional elite deprived of power, for example, or an educated elite which finds fewer opportunities for social prestige or financial advancement than they feel entitled by their training) which may be fertile breeding grounds for corruption, as their dissatisfied members may turn to corruption as a means of securing the benefits to which they feel they have a legitimate claim. In addition, the poor majority tend to regard a civil service post as the gateway to unlimited prosperity, and the family which is lucky enough to succeed in placing a relative in such a position is apt to feel on the threshold of enormous wealth.¹⁰ When it is realized that

8. One presumes that Braibanti's example is gleaned from his Indian experience, though he does not specifically say that he has India in mind.

9. *ibid.*, p.360.

10. As civil service positions are in such demand, much of the venality in developing nations centres around attempts to secure these sought-after appointments. Colin Leys describes the situation thus:

The benefits of holding an office - any office - are
(contd.)

a lowly clerical job in the civil service is not going to provide the realization of these lofty hopes, a condition of poverty relative to aspiration exists. It is thus not surprising to find the lower echelons of civil services in developing nations riddled with corruption, particularly when one remembers that on his meagre salary the civil servant may be required by traditional obligations to family and tribe to provide completely for a large number of people.

As poverty is relative to aspiration, and as aspiration draws sustenance from examples which it can attempt to emulate, this question of the influence of poverty on corruption is obviously linked with that of gross inequality of wealth. Uniform poverty is less likely to conduce to corruption than gross inequality of wealth simply because the benefits to be so gained are much smaller; if all people in a given milieu are equally poor, little is to be had from engaging in corruption, as no one will have anything to offer the purveyor of corruption. However in a situation where some people control vast wealth while others are poor, the benefits to be gained from successful corruption are extremely tempting. This is the situation which exists in most developing nations, and a number of observers have commented on its significance.¹¹

It is because of gross inequality of wealth that politics in

relatively enormous; by comparison the penalties for attempting to obtain one by bribery are fairly modest, in relation to the low standard of living of the would-be office holder, or in relation to the pressure of relatives' claims on his existing standard of living.

[Colin Leys, *op.cit.*, p. 225.]

11. See O.P. Dwivedi, "Bureaucratic Corruption in Developing Countries" *Asian Survey*, Vol. 7 (1966-1967), No. 4, p. 246; and Leys, *op.cit.*, p. 225.

the Third World attracts so many participants for purely pecuniary motives. Britain has only recently been faced with the problem of the professional politician. Yet the professional politician has long been a fact of life in the Third World. In a country where a few have much and most have little, politics is one of the few ladders whereby a man of astuteness and ambition may drag himself up into the ranks of the economically privileged. Wraith and Simpkins comment that "the curse with which African politics have saddled themselves at the outset is that politics itself is the recognized road to wealth, and for many an extremely easy road."¹² Furthermore, whereas in Britain a politician who loses his seat will likely be assured of alternative employment which will allow him to maintain a life-style comparable to that to which he is accustomed, in developing states a politician knows that the alternative to his political career is likely to be a return to those same depths from which he has lately emerged. Of French West Africa Dumont states:

A deputy works (?) three months out of the year, and receives 120,000 to 165,00 francs a month all the year round. In six months of salary, or

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12. Wraith and Simpkins, *op.cit.*, p. 190. Less denunciatory, but arriving at substantially the same conclusion, is Samuel Huntington. He argues that a career in politics is such a tempting prospect for the ambitious go-getter because opportunities in business are severely limited:

The opportunities for the accumulation of wealth through private activity are limited by traditional norms, the monopoly of economic roles by ethnic minorities, or the domination of the economy by foreign companies and investors. In such a society, politics becomes the road to wealth, and those enterprising ambitions and talents which cannot find what they want in business may yet do so in politics. It is in many modernizing countries, easier for an able and ambitious young man to become a cabinet minister by way of politics than to become a millionaire by way of business.

[Samuel P. Huntington, *Political Order in Changing Societies* (New Haven: 1968), p. 66.]

1½ months of work, he earns as much as
the average peasant in thirty-six years ...¹³

Given extremes such as this, the politician will most likely be willing to go to any lengths to keep his seat.¹⁴ He is also likely to guard against the dreaded prospect of a premature termination of his political career by building up large financial reserves so that if his career does come to an unforeseen end, he would still be able to live a leisured life of ease and affluence. "Far-sighted Presidents and ministers," writes Dumont, "build up savings accounts 'for their old age' in Swiss banks, and their wives buy villas on the Lake of Geneva."¹⁵ Given the lucrative nature of a political career, the concomitant desire to preserve one's political position once it has been attained, and the need to make as much money in as short a time as possible while retaining it, it is not surprising that corruption levels should be so high in developing countries.

In more general terms, gross inequality of wealth results in a cheapening of public life and the development of an ethos of resigned cynicism, which is itself a contributing factor towards corruption.

Wraith and Simpkins describe the West African situation thus:

It is unfortunate that Ministers, among
whom are men of ability and integrity,
should almost gratuitously have made

13. Rene Dumont, "Remuneration Levels and Corruption in French-speaking Africa", in Heidenheimer, *op.cit.*, p. 455.

14. This tendency is further aggravated by the absence of any conception of temporary office-holding in most traditional cultures, an important factor which will be examined in greater detail elsewhere in this chapter. Suffice to say here that the politician will suffer few qualms about going to lengths which would elsewhere be considered unwarranted to maintain his position - having won it he may well conceive of it as rightly and permanently his.

15. *ibid.*, p. 455.

themselves a butt, defined by the Oxford Dictionary as "an object of teasing or ridicule", by possessing motor cars of embarrassing size and living in houses which are commonly said to cost the taxpayer well over £30,000. Anyone who happens to travel in a car of extravagant aspect is now liable to have the word "Minister" shouted after him by the local urchins.¹⁶

Gross wealth differentiation also indicates a state of mind in powerful and important public figures which encourages them to engage in nefarious activities. Earlier reference was made to poverty as relative to aspiration. Carried to its reductio ad absurdum among the middle and upper income earners, this trend ceases to be a legitimate craving for satisfaction of needs in accordance with one's expectations from life, and becomes instead a love of lavish, luxurious ostentation. This is particularly serious when it penetrates below the upper economic levels to middle and lower income groups, where it can be less readily afforded.¹⁷

The more one lives beyond one's means, moreover, the greater the temptation to resort to corruption to redress the situation. Furthermore, ostentation is so much accepted as the hallmark of success in one's chosen career, that even when personal tastes do not run in this direction, one is nevertheless obliged to swim with the tide in order to attain or maintain success in one's career:

16. Wraith and Simpkins, *op.cit.*, p.15.

17. Wraith and Simpkins point out:

West Africa is sadly afflicted by the love of ostentation, and thousands of men on the middle and lower rungs are financially crippled by it. Ministerial ostentation can perhaps be excused on the grounds of dignity of office, or more straightforwardly because Ministers can afford it; but it is an unfortunate example...

(*ibid.*, p.15.)

... those who have achieved it [i.e., political sophistication] find themselves trapped in the curious dilemma that if they put their principles into practice they will lose face, and consequently lose money and career. The successful lawyer cannot afford to run a modest car or live in a modest house or he will cease to be successful.¹⁸

The pressures to engage in corruption which arise from love of ostentation are therefore considerable, and the situation develops which the then President of the Indian National Congress, Mr. D. Sanjivagya described thus in 1963: "Congressmen who were paupers in 1947 are now millionaires and multimillionaires. They own palatial buildings and factories .. without any ostensible sources of income."¹⁹ Ronald Segal exhibits a similar concern for the effects of ostentatious wealth on the probity of Indian public life. He draws a telling comparison between the frugality and plain living of the present Chinese leaders, and the "manipulations of patronage" within the Indian Congress Party:

Ministers are permitted to live in glaring extravagance while they make impassioned appeals for popular sacrifice. Socialism in a Mercedes Benz may be eloquent, but it seldom conveys the impression of sincerity.²⁰

The fact that even the highest paid officials in the state are often obviously living above their means has given rise to the common and natural assumption that corruption is the means which makes all this possible.²¹ It is easy to see how a cultural ethos which accepts lavish ostentation as a fact of life is likely to have a similar

18. *ibid.*, p.40.

19. Quoted in Monteiro, *op.cit.*, p. 16.

20. Ronald Segal, *The Crisis of India* (London: 1965), p. 291.

21. "It is one of the regrettable assumptions among young West Africans," write Wraith and Simpkins, "that Ministers are rich, and that they become rich by being Ministers." (Wraith and Simpkins, *op.cit.*, p.14.)

attitude to corruption - hence the oft-discussed "climate of corruption" which is said to afflict developing countries.²² Dwivedi aptly describes the effects of this ethos of corruption on dealings between the public and public officials:

Most of the public, and especially villagers, do not expect fair treatment from civil servants. A widespread notion prevails that the administration is corrupt, and that an efficient and responsive hearing is rendered in direct relationship to the number of currency notes given.²³

While not a primary cause of corruption, this fatalistic acceptance of corruption as a fact of life inhibits the most stringent attempts to overcome the growth of venal practices.²⁴

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22. The concept of a "climate of corruption" is not a new one, and was in vogue during the golden age of machine politics and muckraking in the United States of the early twentieth century. Senturia, writing on political corruption for the Encyclopaedia of the Social Sciences in 1930, makes much of the effects of a "climate" of corruption:

Ignorance of the existence of corruption or of its importance in everyday life, diffused responsibility, widespread benefit derived by a large disinherited element in the voting population from the lavish distribution of spoils, political apathy and indifference, a pecuniary minded culture which value all things in terms of money - all contribute to fastening the tradition of corruption upon the political life of a nation.

[Senturia, *op.cit.*, pp. 451-452.]

23. Dwivedi, *op.cit.*, p. 249.

24. McMullen describes its inertial effects thus:

A climate of corruption ... will affect Ministers as well as policemen, and, perhaps more important, will lead to public condonation of corruption by Cabinet Ministers. It is a most disconcerting feature of these societies that ordinary citizens will believe, and recount, the most fantastic stories, some of them palpably untrue, of corruption among their leaders, with no or very little sense of indignation. Even when official enquiries have disclosed instances of undoubted corruption, this has often had no effect on the political career of the persons involved.

[McMullen, *op.cit.*, pp. 194-195.] A similar view is expressed in the election manifests issued by supporters of Senator Manglapus, unsuccessful candidate in the 1965 presidential

(contd.)

Furthermore, while widespread corruption must exist prior to the growth of a "climate" of corruption, once established, such a climate serves not only to hinder attempts to combat corruption, but to actively foster its growth:

Such a climate of corruption is in itself an important factor. There is a continuous interaction between the willingness of people to pay bribes and the willingness of officials to receive them. People normally behave in the way that the people they live with behave. In a society with a high level of corruption, hardly any citizen can carry out his business, avoid trouble with the government, and generally get through life comfortably, without acquiescing to some extent at least in the prevailing corruption.²⁵

elections in the Philippines:

Despairing over the public acts of their public officials, our people are losing their faith in government. The cancer of corruption has spread so wide and deep in the body of this nation that its members have ceased to feel its pain, have accepted the malignancy as part of their normal state.

[Quoted by George Farwell, *Mask of Asia: The Philippines* (Melbourne: 1966), p. 213.]

25. McMullen, *op.cit.*, pp. 187-188. Even more forthright expressions of this view are to be found in Wraith and Simpkins, *op.cit.*, p.66, and P.C. Lloyd, *Africa in Social Change* (Harmondsworth, Eng.: 1967), who concludes (p.250):

The success of the other man is attributed to his use of patronage, his ability to bribe adequately; and inasmuch as he has got ahead by non-academic means, so is one entitled to redress the difference by the same means.

An important point arising from this is that when a climate of corruption creates a moral vacuum in which venal practices can flourish with relative impunity, the stage is set for the ruthless, the racketeering, the truly corrupt to come into their own, a situation which may result in some extraordinary "double-think", as Buttinger points out. He writes of corruption in Vietnam under the Bao Dai:

Due to the lack of any democratic controls and to the tradition of buying the collaboration of Vietnamese willing to serve the French, corruption had become too widespread to cause surprise or shock ... the eagerness to grab the larger benefits of power at the very top was greatly enhanced by the cool cynicism with which these officials regarded the war that was supposedly being waged for the "defence of the free world". Since professing this belief did not in the least interfere with the flow of funds into their private pockets, some of the worst grafters and extortionists posed as the most determined defenders of freedom against the threat of a Communist

(contd.)

There seems little doubt then, that one of the major factors contributing to corruption in developing nations is the existence of a climate of corruption which builds up over years of unchecked malpractice and which serves to anaesthetize the political sensibilities of the people of these countries. Corruption is accordingly accepted as an inevitable feature of the political environment and few serious attempts are made to eliminate it. There is, however, a danger inherent in the recognition of such a climate of corruption as a major reinforcement of, and contributor to corruption, for taken a step further, this doctrine of environmentalism may be used to excuse the corrupt political actor by transferring the blame onto society as a whole. Braibanti explains this doctrine (which is particularly popular with left-wing social critics) as follows:

The argument is that man is not at fault if he is dishonest; rather his environment, society at large, 'the system', is at fault for having deranged his mental faculties.²⁶

The theory that instances of corruption are simply specific manifestations of an essentially corrupt political system will be looked at in greater detail in a later chapter, so no more will be done here than to note its existence as an explanation sometimes applied to

Vietnam.

[Joseph Buttinger, *Vietnam: A Dragon Embattled*, Vol. II, "Vietnam at War" (London: 1967), p. 777] Those who have posed as the fiercest defenders of African nationalism have similarly been prominent as grafters and extortionists. Here, then, is the less pleasant side of the picture painted by Wraith and Simpkins and McMullen of the basically good individual who is dragged into a milieu of corruption against his wishes, for besides these unfortunate victims of the circumstances there are others who gladly accept the opportunities which come their way (and scheme to create these opportunities), and who make major contributions to the development of a climate of corruption in the first place.

26. Braibanti, *op.cit.*, p. 361.

developing nations, and to suggest that whether or not this theory is ultimately valid, in most cases corruption can be attributed to more immediate causes arising within (rather than from) the existing social framework.

Probably the most frequently cited cause of corruption in developing nations is colonialism. Colonialism, it is claimed, created the administrative conditions and moral environment to sustain widespread corruption. This argument, favoured particularly by anti-colonial nationalists into whose political creeds it neatly fits, is described by Braibanti thus:

The argument runs that because government was carried on by aliens, citizens developed an attitude of irresponsibility and felt obliged to thwart government in every possible way including cheating. The cheating of "foreign devils in government" became admired as a patriotic virtue.²⁷

A related (but less simplistic) explanation of the way in which colonialism has contributed to corruption stems from the fact that colonialism created artificial political boundaries which bore little or no relation to existing ethnic divisions. The result was that a concept of loyalty to the nation was lacking (and despite the intense nationalism of elite groups, below that level this is often very much the case still). This had the effect that no great social stigma was attached to corruption when it was carried out at the expense of the nation. Wraith and Simpkins point out²⁸ that whereas councillors

27. *ibid.*, pp. 359-360. Wraith and Simpkins express a similar view: In colonial days ... offences against the law were often thought to be offences against the colonial power that made the law, and were thus political offences and accordingly commendable. This attitude, incidentally, has not worked itself out, even after self-government.

[Wraith and Simpkins, *op.cit.*, p. 188.]

28. *ibid.*, pp. 49-51.

bribe and treasurers abscond with public cash without greatly shocking public opinion, the treasurers and committeemen of tribal organizations do not do so, and if they did, would severely violate public conscience and be punished accordingly.

O.P. Dwivedi presents a different explanation of the effect of colonial rule on levels of corruption. Rather than accounting responsibility to a deliberate desire to frustrate foreign rulers, or to the absence of a sense of national loyalty, he sees the ethical double standards practised by so many colonial regimes and administrators as the main effect of colonialism on corruption:

To most colonial administrators nepotism, bribery, the institution of polygamy, and the publicly condoned acts of cruelty, all suggested inferiority of race and norms. And it was perhaps because of this that they became apathetic and cynical toward corrupt practices prevalent in colonial society, and did little to control such unethical behaviour among natives although at the same time they were not permitted among themselves. The result was that some forms of corruption became institutionalised, and were carried over even after independence.²⁹

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29. Dwivedi, *op.cit.*, pp. 246-247. In support of his claim that the code of public ethics adhered to by colonial administrators was ambivalent, Dwivedi cites three former colonial civil servants whose writings clearly reveal just such a dichotomy. He quotes an ex-I.C.S. officer: "In a land where much was dark he (i.e., the foreign administrator) set a bright example of probity, of justice, and of the many virtues of his race". [Bernard Houghton, *Bureaucratic Government: A study in Indian Policy* (London: 1913), quoted by *ibid.*, p.11.], and a former Burmese colonial administrator: "Our government is based on the western practice of the rule of law, and in that may justly be claimed as superior to the Burmese system" [J.S. Furnivall, *Colonial Policy and Practice* (New York: 1956), quoted by *ibid.*, p.247.] His third quotation is taken from Penderel Moon, who recognizes the existence of this trend of thought, and is critical of it: "We English officers ... bring with us our public-school ideals and public-school standards; and we find, of course, when we get here that they are peculiar to ourselves. We are not surprised at this. We think it is just because we are in India. We have always heard that Indians are all more or less dishonest, untrustworthy, and venal. Hence all the dirty ramps and crookery which we come across .. we attribute to the inherent depravity of the oriental." [Penderel Moon, *Strangers in India* (London: 1944), quoted by *ibid.*, p.247.]

Dwivedi also mentions another important aspect of colonial administration: the practice of favouring Christian converts in civil service appointment and promotion. He describes the impetus which this practice gave to corruption thus:

It also became apparent to colonial people that merit and achievement criteria were disregarded by their masters when the question of religious affiliation was considered. Neo-converts into Christianity were given preferences over qualified non-Christians in civil service appointments and promotions.... Favoritism, on the basis of religion, was thus accepted by some colonial people as normal social behaviour in India, Anglo-Indians were recruited in several government departments largely on ascriptive basis. Today, when the widespread ascriptive considerations in the appointment of government employees in India are criticized, some Indians refer back to the British Indian recruitment system to rationalize the present situation.³⁰

Dwivedi and Braibanti differ markedly then, in their respective descriptions of the nature of the effect which colonialism has on corruption. Yet they each arrive at substantially the same conclusion: that the colonial heritage is undoubtedly a factor contributing to corruption in the Third World today, but that it is not a sufficient cause in itself to explain the phenomenon.

Is this conclusion valid? Braibanti gives three reasons to support his position,³¹ one of which seems of doubtful validity. He first points out that corruption existed long before colonial rule. While this is certainly true, it must be noted that as a general rule, corruption in pre-colonial times did not occur on anything like the scale on which it has occurred in the post-colonial era. Braibanti's other two points have greater merit, however. He points out that

30. *ibid.*, p. 247.

31. Braibanti, *op.cit.*, p. 360.

corruption continues to exist in countries like the U.S.A. which long ago shed their last vestiges of colonialism. In fact, in the case of the U.S.A. or the Latin American republics (where standards of public ethics are notoriously low), it is difficult to see much connection between distant colonial histories and present rates of corruption. Braibanti also states that corruption is an important factor in the public life of countries which have not been subjected to colonial rule in recent history, and he mentions particularly Japan and Thailand, and while Thailand may be an ill-chosen example,³² the case of Japan³³ does suggest that the pressures stemming from social and economic change contribute more to an increase in corruption than the mere fact of colonial rule.

It would seem, therefore, that a colonial situation is not, in itself, a sufficient condition for the existence of widespread corruption, and despite the inadequacies in Braibanti's argument the conclusion he arrives at is reasonably accurate - colonialism has contributed to corruption, but is not generally a prime factor in its promotion.³⁴

32. Many would argue that Thailand's independence from western colonialism was never more than nominal, and that much of the corruption which reputedly occurs in that country may well result from the same pressures which have assisted the growth of corrupt practices in countries which were formerly colonial.

33. Not that Japan is a perfectly suitable example either. Corruption has not been nearly as widespread in Japan in recent times as in most South-east Asian countries, and in any comparison with her geographical neighbours, the Philippines and China (prior to the Communist takeover) Japan fares remarkably well. Furthermore, it is arguable that much corruption in Japan since 1945 may be attributed to the conditions arising from post-war allied occupation, which was arguably a semi-colonial situation.

34. As we may expect the relative importance of all these factors to vary from situation to situation, it is, of course, possible that in certain instances a colonial experience may be the most important factor contributing to the existence of corrupt practices. It seems unlikely that this is the case in general, however.

Historically linked with colonialism, however, is the phenomenon of modernization, and the remainder of this chapter will be given over to an attempt to establish modernization as the most important single factor in the ubiquity of corruption in developing nations. As modernization (and westernization) has usually occurred in conjunction with colonialism, it is understandable that the fact of colonial rule has frequently been seen as the root cause of corruption in developing countries, particularly as within those nations themselves colonialism is often seen as the source of all evil and modernization as the key to a glorious future. Nonetheless, modernization and westernization may occur independently of colonialism. Japan chose to modernize and westernize without having these changes imposed by a colonial power. Russia began to adopt western culture under Peter the Great and modernized under the Communists this century without submitting to colonial rule. The U.S.A. and the states of Latin America all began to modernize long after the attainment of political independence. These (and other) examples clearly show that modernization and westernization in the Third World are not necessarily dependent on a period of colonial domination, and even though colonialism has generally been the medium through which modernization has been introduced, as we are attempting to establish causal relationships, it seems wise to separate these processes.³⁵

How has modernization contributed to the prevalence of corrupt

35. On the other hand, though modernization and westernization are also two distinct processes, the one being primarily an economic phenomenon, the other cultural, and though it may be possible for one to occur without the other, as no developing nation has yet managed successfully to modernize without a considerable degree of westernization, it will be assumed, until proven otherwise, that the two are different manifestations of what is essentially the same dynamic at work.

practices? Not all are convinced that it has to any great extent. Braibanti, for example, denies that its influence has been more than marginal:

To some extent such social upheaval may contribute to the climate in which corruption thrives. But it must be kept in mind that value systems are constantly undergoing change. Each adult generation views the change of its time as severe and traumatic and, surveying generations of the past, pronounces those earlier changes mild and evolutionary. But the adult generation living in those past eras viewed these same changes as too swift, and traumatic. ... Social change perennially occurs. We cannot rely on conditions of non-existent stability to reduce the incidence of corruption.³⁶

Braibanti is correct, of course, when he states that value systems are in a constant process of change. Nevertheless, he begs the question. Some periods are manifestly more unstable than others, and corruption seems more likely to be prevalent during these periods than others. Conditions of instability minimize the risk of detection because most energy is directed towards combatting the cause of instability, and because the efficient scrutiny of administrative and political processes is apt to suffer at these times.

The relationship between social turmoil and corruption will become more clear if one of the most important sources of social instability - war - is examined. It was noted earlier that times of war have generally been periods of widespread corruption. Few would dispute the observation that the last two centuries have been dominated by war to an extent which few periods of history can match. War has affected developed and undeveloped countries alike, of course, and its consequences are by no means limited to the developing world. Yet where undeveloped nations have been touched by war, notably in

36. *ibid.*, p. 363.

South-east Asia, its effects have been enormous. Few countries in the world approach the Philippines' notorious reputation for corruption. The exact extent to which this corruption can be attributed to its unfortunate experiences between 1942 and 1945 is difficult to gauge, but it is certainly considerable. In the opinion of David Steinberg and his co-authors:

Facts that have led to corruption among Philippines politicians include the collapse of law and order during the Japanese occupation, the crisis of elite collaboration, the privations of the early post-war period and the opportunities for making private profit from the manipulation of American aid and Japanese reparations.³⁷

Further evidence is provided by the unfortunate countries of Indo-China. Virtually all extensive writings on the Vietnam war (or Indo-China during this period of turmoil) contain references to or descriptions of corruption,³⁸ and one of the most striking features which emerges from an analysis of this literature is the absence of

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37. David Joel Steinberg (ed.), *In Search of Southeast Asia* (London: 1971), p.391. This analysis is supported by O.D. Corpuz:

The cynical corruption ... was caused by a more complex set of contributive factors. The more obvious were the carry-over of attitudes and habits of the war-time years, when even upright bureaucrats were demoralized by almost daily practice in administrative corruption, rationalized by patriotic and economic necessity; and the new amorality of the early postwar period, when pay was low, prices were high, inhibitions were few, and sanctions were hard to enforce.

[O.D. Corpuz, *Bureaucracy in the Philippines*, quoted by Gabriel U. Iglesias, "The Passage of the Anti-Graft Law", in Raul P. de Guzman (ed.), *Patterns in Decision-Making: Case Studies in Philippine Public Administration* (Manila: 1962), p.5.]

38. Cf. Buttinger, *op.cit.*, Noam Chomsky, *At War with Asia* (London: 1971), Dennis J. Duncanson, *Government and Revolution in Vietnam* (London: 1968), Robert Shaplen, *The Lost Revolution: Vietnam, 1945-1965* (London: 1966), Steinberg, *op.cit.*, and Dennis Warner, *The Last Confucian* (Harmondsworth, Eng.: 1964). This list is by no means exhaustive.

any duplication of material - apparently any conscientious observer who visited these countries experienced little difficulty in unearthing his own examples of venality, many of which involved senior military and civil authorities. Not even heads of State escaped aspersion.

War is undoubtedly a major cause of social instability, therefore, and has contributed significantly to the high level of corruption in many developing countries. However not all those developing countries afflicted by corruption have experienced war in their recent histories, and it will therefore not serve to explain the prevalence of corrupt practices in the Third World generally. Furthermore, war cannot be solely blamed for the existence of corruption even in those countries where it is obviously a contributory factor. In most cases corruption was already well entrenched and war merely multiplied and extended its excesses. Farwell writes of the Philippines, for example:

Corruption ... had been an accepted part of government for centuries: the padrino system filled posts and sinecures through blood ties alone; ability, training meant nothing, while underpaid employees had to find their own ways of acquiring money, status, position as best they could. This was the accepted order of things. In many ways it still is.³⁹

While it may not be possible to attribute high levels of corruption in developing countries to war alone, it can nonetheless hardly be disputed that, in general, war is a time of severe social chaos, and that corruption tends to flourish more readily during such periods than during periods of "normal" social change. Braibanti rightly suggests that it is absurd to believe that corruption is a

39. Farwell, *op.cit.*, p.60.

"transitory malaise" which only occurs during times of great social upheaval. But Braibanti is attacking a non-existent position. It is virtually impossible to find any writer who is prepared to argue the case which Braibanti so vehemently criticizes. To suggest that corruption is likely to be more widespread under these conditions is a different matter, however, and it is difficult to avoid the conclusion that Braibanti would have been better employed devoting his analytical skills to this less extreme proposition.

Apart from war, modernization (and for non-western countries, westernization) has been the most obvious source of social instability in the last two centuries. If the proposition that corruption is more likely to thrive under conditions of radical social change is correct, it can be expected that corruption would be widespread during periods of modernization, and circumstantial evidence supports this assertion. The turbulent years of the industrial revolution in Britain were characterized by widespread venality, as we have seen, though this venality contrasts strongly with the demanding code of public ethics which came to the fore as relative stability descended on Britain.⁴⁰ Other Western European nations had a similar experience, as did the United States, where, as was noted earlier, the political machine was a creation of rapid industrialization and urbanization. Just as the transition from a predominantly rural to a predominantly urban industrial society in Europe and North America was one in which corruption flourished, a similar situation may be expected to occur in those countries which are only now undergoing

40. Monteiro points out that: "where a century and a half ago bribery was accepted as a matter of course, the mere misuse of a railway pass resulted in the resignation of a member of Parliament in 1931", (Monteiro, *op.cit.*, p.21.)

this change.⁴¹ Furthermore, in the developing nations of today the changes are not taking place within a continuous cultural tradition, but in conjunction with the appropriation of an alien culture (which provides the rationale of the modernizing process) at the expense of the indigenous culture, and in doing so developments which evolved over a period of centuries in Europe are being encapsuled into thirty frantic years.

The most important aspect of the causal relationship between modernization and corruption arises from the clash of cultural values which accompanies modernization. As Huntington points out:

Modernization involves a change in the basic values of the society. In particular it means the gradual acceptance by groups within the society of universalistic and achievement-based norms, the emergence of loyalties and identifications of individuals and groups with the nation-state, and the spread of the assumption that citizens have equal rights against the state and equal obligations to the state. These norms usually, of course, are first accepted by students, military officers, and others who have been exposed to them abroad.⁴²

Huntington here raises an interesting point. If achievement-oriented norms are first accepted by those who have been most exposed to western ways (students, military officers, big businessmen, politicians - that is, the groups which control, or will control, political and economic power) it may be expected that the impact of

41. I do not wish to make too much of this comparison between modernization in the nineteenth century and modernization today. Wraith and Simpkins point out that despite the obvious similarities, there are important differences between the modernization of Britain in the nineteenth century and the process of modernization as it occurs in Africa today; differences which suggest that, insofar as corruption is concerned, the satisfactory outcome of modernization in Britain may not necessarily be successfully emulated elsewhere. (Wraith and Simpkins, *op.cit.*, pp.12-13, 171-207.)

42. Huntington, *op.cit.*, pp. 59-60.

any value clash would be greatest in local government, in the lower rungs of the civil service, and in the police force. Here a degree of exposure to western values would automatically occur by nature of the occupations, but its basis would be imperfectly understood, and continuing close contact with the indigenous culture would be likely to reinforce traditional value patterns.⁴³ The effect, as McMullen describes it, is that:

Friction between the literate public servant and the illiterate population is inevitable, and is, of course, greatest at the base of the public service pyramid, where functionaries and contacts with the public are most numerous, and it is at this level that the greatest volume of corruption occurs (the amount of damage done and money involved may well be greater at higher levels). Between the public and the functionaries with whom they most often deal, there is a constant flow of presents and bribes, given willingly or unwillingly, pressed on the official or extorted from the public.⁴⁴

43. As modern bureaucratic structures are hierarchically based, the *majority* of public employees are to be found on these lower rungs of the hierarchy where there is greater direct contact with the population.

44. McMullen, *op.cit.*, p. 188. Thus it is not surprising that Wraith and Simpkins are particularly scathing in their attacks on low-level corruption, where its effect on the ordinary citizen is greatest. Nor is it surprising that they single out local government and law enforcement as areas where corruption is especially rife, as it is in these areas that authority comes into most immediate contact with the public, and hence provides the greatest opportunities for corruption. Of the police (particularly the traffic police, among whom corruption is seen to be most prevalent) Wraith and Simpkins write:

With the police the matter is more serious, for to live in a country where the police are corruptible is to live in a quicksand. For the British in Africa, bearings so familiar that they have never noticed them disappear, leaving them bewildered and insecure. In this kind of insecurity the average African lives his life even at their least engaging the police in Britain are not systematically corrupt.

(Wraith and Simpkins, *op.cit.*, p.18.) Of local government they had this to say:

One turns to corruption in local government with a mixture of relief and dismay - relief because the actual facts
(contd.)

Probably the major source of conflict arising from this clash of values is the difference between traditional and modern conceptions of the relationship between public and private interest. "... the attitude towards personal gain from public office," says Nettl, "is not as censorious in traditional-developing societies as in the West, where the two roles and actions have become sharply differentiated."⁴⁵ Nettl claims this is because the tradition of the temporary nature of public office is less strong in traditional societies than in the West, with the result that:

... since personal gain cannot conceptually be made "relinquishable", it cannot be electorally accommodated. ... In any situation where leadership and legitimacy are not subject to formally processual means of change, and are based on the assumption of permanence, this is likely to be reflected in an acceptance of the need to purchase services or favours from authority. Since those who have legitimate authority are not viewed as temporary occupants of posts but as permanent incumbents, the division between private wealth and public authority is somewhat meaningless.⁴⁶

have been more precisely investigated, and can be quoted; dismay because as matters stand at the time of writing local government in the southern regions of Nigeria [the main focus of Wraith and Simpkins' experience] has reached the point of being a conspiracy against the public, so riddled is it with bribery, nepotism, politics and corruption. (*ibid.*, p.19.) See pp.19-26 for Wraith and Simpkins' quite lurid detailed description of local government corruption in West Africa. Nor can it be argued that this situation is confined to West Africa. Weiner points out that in India, too, corruption levels decrease as one moves from lower to higher echelons of public life. He states that:

Local power cannot easily be extended for several reasons local influence is bound up in local ties of caste, family, and services, which cannot be easily transferred to the more important levels of state and national government.... the system of services considered legitimate in the villages is less likely to be tolerated by the higher civil service, whose standards are closer to those of the British bureaucracy than the village.

[Myron Weiner, *The Politics of Scarcity* (Chicago: 1962), p.13.]

45. J.P. Nettl, *Political Mobilization* (London: 1967), p. 278.

46. *ibid.*, p. 278.

A similar absence of distinction between the public and private spheres exists in the matter of employment. The result is that nepotism and patronage are particularly widespread in developing nations, as in most traditional cultures it is not only not wrong for a holder of public office to assist the employment prospects of his friends and relatives; he has a positive obligation to do so:

The distinction between private and public employment is only a mildly sophisticated one, but it is beyond the level of sophistication of a good deal of thinking in West Africa. There is much to excuse nepotism. Any man rising to a place of importance in politics will be surrounded by relatives and friends looking confidently to him for patronage; the tradition of centuries leaves them in no doubt that he will provide for them, and that if jobs do not exist, they will be created.⁴⁷

Granted that this is the case, it is, however, frivolous of Wraith and Simpkins to speak of the "mildly sophisticated" distinction between private and public employment as "beyond the level of sophistication" of African thinking. Such an explanation ignores the very real dilemma in which the public official may find himself when faced with satisfying the demands imposed on him by two mutually contradictory value systems; small wonder that so many opt for satisfaction of traditional obligations. Wraith and Simpkins are more realistic when they write of the public official:

He may grasp the constitutional idea himself, but it is difficult for him to explain it to his kinsmen the sense of guilt on the part of the giver would be mingled with a sense of family duty done, and the recipient would take it for granted.⁴⁸

47. Wraith and Simpkins, *op.cit.*, p.34.

48. *ibid.*, p.34.

It is difficult to foresee an end to this tension between public and private obligations in the near future, particularly as traditional values may actually be reinforced when such a distinction between private and public spheres is imposed on a value system where no such distinction exists.⁴⁹ More seriously still, an inability to relate to any standards at all may result:

The calling into question of old standards, moreover, tends to undermine the legitimacy of all standards. The conflict between modern and traditional norms⁵⁰ opens opportunities for individuals to act in ways justified by neither.⁵¹

It seems clear that this clash of cultural values is most keenly felt below the uppermost levels of politics and administration, with the result that corruption is most widespread in the lower tiers of public life. Moreover, as those occupying the upper rungs of public life have standards closer to those of the British bureaucracy than the village - that is to say, the process of westernization

49. As Huntington points out:

... the introduction of achievement standards may stimulate greater family identification and more felt need to protect family interests against the threat posed by alien ways. Corruption is thus a product of the distinction between public welfare and private interests which comes with modernization.

[Huntington, *op.cit.*, pp. 60-61.]

50. It would be wrong to imply that conflict between the value systems of traditional and modern societies must inevitably occur. It sometimes happens that inherent in the traditional culture are characteristics which facilitate the spread of modernizing norms (cf. J.A.Sheriff, "The Effect of Traditionalism on the Modernization Programme in Thailand", *Flinders Journal of History and Politics*, Vol.1 (1969), pp. 48-56), though where such accommodation occurs it does so uneasily, and the hybrid offspring is usually unsatisfactory in terms of both modern and traditional criteria.

51. Huntington, *op.cit.*, p.60.

has been virtually complete in their case - the argument that much corruption stems from the confusion of competing cultural values, as valid as it undoubtedly is when applied to corruption at the lower levels of public life, cannot be used to explain or excuse high-level corruption. Those at the top of the political and administrative hierarchies almost always subscribe completely to western concepts of public ethics, and one must search elsewhere for an explanation of the prevalence of corruption here. It is to be found in the sharp differentiation between business and political elites which tends to typify non-western society.

Modernization has furthered corruption by creating sources of wealth and power which did not exist in traditional society. The relationship of these new elites to politics is accordingly undefined, for modern norms, which provide such a relationship, remain only partly accepted by traditional society. A number of observers have commented on this phenomenon. Weiner has stressed that unlike Western countries there is a comparatively sharp line between business and bureaucracy, and that the business communities have in the past provided few recruits for the administrative services or intellectual classes.⁵² McMullen also points out that during the early years of post-colonial Africa the classes holding political power and those controlling wealth were "markedly apart".⁵³ Corruption became the means whereby these two groups interacted to arrive at mutually acceptable accommodations. Monteiro cites an unidentified author:

52. Weiner, *op.cit.*, p. 126.

53. McMullen, *op.cit.*, p. 196.

The root cause of corruption is the close link between those who wield political power today and those who virtually control the nation's wealth. This alliance between the political leadership and big business has created a situation in which it has become possible for large-scale corruption to invade the precincts of politics.⁵⁴

More sympathetic, but no less emphatic about the extent of the alliance between businessmen and politicians is Weiner. He sees the influence exerted by business on politics as an informal client-based relationship, which he describes thus:

Businessmen in India, as elsewhere in the world, have an acute awareness of how the political system operates and what the points of greatest access are. Policy, they believe, is made on the very highest levels and rarely, if ever, reflects the cumulative pressure from below. If they neither conduct public relations campaigns nor deal directly with legislators, it is because they recognize that neither the public nor members of legislative bodies have much influence on government policy and administration.... Since they have no effective influence on lawmakers, Indian businessmen established highly particularistic relationships with individual administrators.⁵⁵

Earlier it was pointed out that the clash between competing cultural values could not normally be used to explain corruption in the upper levels of public life, and Weiner, in his analysis of the relationship between big businessmen and senior politicians (in whom the inculcation of western values is virtually complete),

54. Quoted by Monteiro, *op.cit.*, pp. 56-57. Ronald Segal, also writing of the situation in India, substantially agrees: Accusations of corruption, hypocrisy and nepotism come strangely from national newspapers owned by industrialists whose acquaintance with such activities is only too close; the business community which attacks Congress for corruption is itself the principal source of temptation and the principal beneficiary.

[Segal, *op.cit.*, p. 250.]

55. Weiner, *op.cit.*, pp. 119-120.

affirms this view:

The professional standards of bureaucrats are not often compromised by the corrupting demands of relatives; the bureaucrat will accept a bribe, but it is on a universalistic basis - he is likely to accept money from all who will pay, not simply cater to his kith and kin.⁵⁶

In this case then, corruption arises because the process of modernization has given rise to two quite separate elites, one controlling wealth and the other holding political power. Corruption became the means by which conflict is mediated and intercourse established between the two groups.

Modernization has also assisted the growth of corruption because it has involved fundamental re-structuring of political and administrative frameworks. These new structures were generally based on one or other Western European model, and have not yet satisfactorily evolved to suit local developmental needs. Nor, initially, were adjustments to accommodate the imported model to local realities normally considered. Thus the new structures were often out of key, to a greater or lesser extent, with the society in which they exist.

Riggs says:

Certainly we shall find in virtually every government of Asia, Africa, and Latin America today, formal agencies of administration which resemble those of Europe and the United States. Yet, somehow, closer inspection of these institutions convinces us that they do not work in the same way, or that they perform unusual social and political functions. Perhaps the explanation may be found if we note that the new market and administrative systems have displaced but not replaced the traditional systems.⁵⁷

56. *ibid.*, p. 126.

57. Fred W. Riggs, *Administration in Developing Countries: The Theory of Prismatic Society* (Boston: 1964), p.12.

Thus political parties, for example, have not replaced traditional tribal structures, but have certainly displaced (and been displaced by) them. The result has been an imperfect and unsatisfactory mutation which accords with neither western expectations of the proper role of political parties, nor with traditional tribal concepts, for (whatever they may be in practice) political parties are ostensibly nation rather than tribe-oriented, and are set up primarily to compete for national power, rather than for the satisfaction of tribal demands. Many African political parties tend to be based on tribal units, nevertheless. In Asia they may be based on religion, or caste. The result is that the key focus of identity often remains the tribe (or religion, or caste) rather than the nation, or worse, the nation becomes identified with the dominant tribe-based party, which effectively excludes minority groups from a share in citizenship. The enormous dangers of such a situation are immediately obvious, yet these conditions reflect the logical result of attempts to accommodate and assimilate the institutional structure of two alien cultural patterns.

The effect which this has on corruption levels is not hard to imagine - public funds and positions are channelled away from the benefit of the nation as a whole to the benefit of the tribe. Yet within traditional value patterns there is nothing shameful in this - it merely involves a shift from one concept of public ethics, legitimate by western criteria, to another, sanctioned by tradition.

Furthermore, as the structure as a whole is an artificial imposition derived from an alien cultural context, even if some degree of basic compatibility between the two systems is reached in

general, it is likely, merely because the system is a transplant from a different environment and has not had the opportunity to develop organically in its new setting, that there will be inadequacies of a more technical nature than those mentioned above. Monteiro, for example, complains about inadequacies in India's machinery to combat top-level corruption:

... the absence of regular machinery to investigate charges of corruption against Ministers has further encouraged the growth of corruption. The present methods are so cumbersome, and the initiative lies so decisively with the executive, that there is a lot of time wasted between the initial charges and the final inquiry. Invariably this grace period is used to hush up matters and destroy evidence. Finally, when the inquiry does take place the Minister is absolved of all charges. All this has provided very fertile ground for corruption at the ministerial level to grow into a gigantic problem.⁵⁸

Probably more important than inadequacies in the adopted structures, however, is the sheer profusion of laws and, in the larger developing nations such as India, the plethora of public officials, particularly at the base of the public service hierarchies. In traditional societies, especially those of Asia, governments tended to be remote and distant from the society which they ruled, and in remote areas (which often meant all areas outside the seat of government) governing was often wholly delegated to local intermediaries. Government was, moreover, much less complex and all-inclusive than in modern society. As the number of activities subjected to governmental regulation multiplies, and as government probes more deeply into the lives of its subjects, it is only natural that these intrusions should be resented and resisted. Corruption is one

58. Monteiro, *op.cit.*, p. 58.

obvious way of combatting these unwelcome intrusions, particularly as, in circumstances such as these, those so engaged are unlikely to be subjected to any strong social censure.

Monteiro makes much of the psychological effects of over-regulation:

It is felt by eminent psychologists that too many controls on a person's behaviour and movements often lead to adverse reactions. If this is applied to the nation as a whole, we have a glaring example of what too many different types of curbs and controls have done to the morals and integrity of the people. The general attitude has been to flout as many laws as one possibly can. The people have come to a stage when they believe laws are made to be broken.⁵⁹

Without the necessary expertise in the field of psychology it is difficult to evaluate Monteiro's contention. Nonetheless, though he may well have overstated the case, it seems likely that there is some element of truth in his assertions. Thus one is inclined to agree with Huntington that "the multiplication of laws thus multiplies the possibilities of corruption".⁶⁰ Furthermore, says Huntington:

The extent to which this possibility is realized in practice depends to a large part upon the extent to which the laws have the general support of the population, the ease with which the law can be broken without detection, and the profit to be made by breaking it.⁶¹

As well as over-regulation then, the effectiveness of the body of law is an important variable. Where laws reflect western modernizing norms rather than traditional values it is probable that, while the laws may not provoke hostility, they are unlikely to command a positive response of support. It has already been noted that the

59. *ibid.*, p.60.

60. Huntington, *op.cit.*, p.62.

61. *ibid.*, p. 62.

shift of focus of loyalty from tribe (or clan or village) to the state, which is the seat and sanction of the "new" laws, is not made readily. It has also been noted that modernization generally involves some degree of social instability, which assists those participating in corrupt actions to escape detection, as most energy and vigilance is concentrated on alleviating the causes of instability, and as supervising and other agencies required to redress any instance of malpractice will be working under difficult conditions which will probably impair peak efficiency. It has also been noted that the profits to be made from successfully engaging in corruption are much higher in societies characterized by vast extremes of wealth and poverty, and temptation is thereby greater. This is certainly the situation in most developing nations. Where an increase in temptation is coupled with a decrease in effective supervision corruption must thrive.

The tendency to over-regulate and to promulgate laws which are either unpopular or easily circumvented (or both) is further aggravated by the unfortunate prevalence of what Monteiro describes as "doctrinaire attempts to regulate public morals",⁶² which results in both "a plethora of laws which the administration is ill-equipped to enforce"⁶³ and harsh, unpopular laws, over-ambitious in conception and scope. "In the resulting confusion," argues Monteiro, "laws are broken with impunity, and anti-social elements rule supreme by buying protection from the police."⁶⁴

The most obvious manifestation of badly conceived (or too

62. Monteiro, *op.cit.*, p.59.

63. *ibid.*, p. 60.

64. *ibid.*, p.60.

many) laws aimed at the inculcation of social values from above, is the creation of protection rackets and black markets. Black markets generally arise when there is a shortage of (or ban on) a particular product which is in public demand, and people are willing to break the law and pay exorbitant prices to obtain it. The term "black market" is most often associated with attempts to circumvent war-time rationing and with notorious "industries" such as bootlegging and drug-pushing which come into being when the sale of items in demand is prohibited by law. Nonetheless, the term "black market" may be legitimately defined to cover not only goods, but also services, such as those dispensed by public bureaucracy. Thus Robert Tilman sees corruption in developing countries as the development of a black market situation within administration. In his opinion corruption involves:

... a shift from a mandatory pricing model⁶⁵ to a free-market model.⁶⁶ The centralized allocative mechanism which is the ideal of modern bureaucracy, may break down in the face of serious disequilibrium between supply and demand. Clients may decide that it is worthwhile to risk the known sanctions and pay the higher costs in order to be assured of receiving the desired benefits.⁶⁷

Such a situation may be brought about by one of two things:

(a) the laws which the bureaucracy is implementing are out of true and do not adequately reflect public standards or (b) the structure of the bureaucracy itself is out of true and cannot effectively

65. Where some agency is responsible for laying down the basic rules of the market.

66. Where prices are fixed by supply and demand.

67. Robert O. Tilman, "Emergence of Black-Market Bureaucracy: Administration, Development and Corruption in the New States" *Public Administration Review*, Vol. 28 (1968), No.5, p.440.

respond to the demand made upon it.

Over-regulation aids corruption in one other important way. As the volume of laws increases so does the number of administrators required to see to its execution. Proliferation of laws thus leads to administrative proliferation,⁶⁸ and this rapid administrative growth makes control and supervision much more difficult, particularly while communications and transport remain at an unadvanced stage. In such circumstances corruption is likely to go unchecked.

There seems little doubt then, that modernization produces a social climate conducive of corruption. It involves a fundamental re-structuring of a society's economic arrangements, which in turn creates political and administrative uncertainty and instability and (most importantly) threatens the validity of established cultural norms and ethical assumptions by positing an alternative (often contradictory) value system which provides the philosophical foundation and justification for the modernization process. In such a climate of social tension, when old values are called into question and the legitimacy of new norms is not yet established, corruption is likely to flourish. As modernization is not the only process which fosters such social tension, one may also expect corruption to be assisted when processes other than modernization have a similar de-stabilizing effect on the community.

68. To which must be further added the large number of sinecures established through nepotism and patronage, the justification for which is extremely dubious in most cases and totally unwarranted in many.

CHAPTER 4.

CORRUPTION AS A CULTURAL VARIABLE

In the preceding chapter reasons for the prevalence of corruption in developing nations were discussed. In so doing, the word "corruption" was used to cover those practices which are generally considered corrupt in western countries, for it is in this sense that the term has been employed in most analyses of corruption in developing countries.

It may be, however, that not all the so-called "corruption" warrants such a label, and that much of what is termed "corruption" is, in fact, only what western (or westernized) observers would interpret as corruption in the light of their own cultural experience. As has been noted, a society undergoing modernization is likely to be characterized by tension between the traditional culture and western norms. Miller writes:

By the nature of politics, there always exists a significant degree of autonomy from the social and cultural environment. By and large it is possible to imagine the same society experience consecutively an authoritarian, a democratic and a totalitarian political system. Such phenomena can be imposed from above, and bear no relation to the social setting. The social and cultural system cannot so arbitrarily change. Its characteristics are far more securely anchored; its change will tend to be more sectional, uneven and continue to carry residuals from the past.¹

This is the situation in most developing countries, where political

1. Donald F. Miller, "Culture and Corruption: An Approach with Illustrative Reference to India and America", *Melbourne Journal of Politics*, Vol. 3 (1970), p.66.

systems have been imposed from above by the ex-colonial power. In such a situation it seems not unlikely that a practice which is in complete accord with traditional cultural values may be corrupt in terms of introduced western values. The question of whether a practice deserves to be stigmatised as corrupt under these circumstances is one of the two most controversial issues in the theory of corruption.² On the one hand are those who see corruption as a phenomenon relative to the values of the indigenous society.

Hoselitz, for instance, writes of traditional societies that:

... all social institutions in these societies were still strongly influenced by the persistent integrative needs of the society and that ascriptive, rather than rationalized, achievement-oriented norms determined the behavior of persons entrusted with administrative functions. Much of the alleged corruption that Western technical advisers on administrative services of Asian and African states encounter, and against which they inveigh in their technical reports with so little genuine success, is nothing but the prevalence of these non-rational norms on the basis of which these administrations operate.³

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2. The other major controversy concerning which students of corruption are at odds centres around the role of corruption in political development, a problem which will be examined in the next chapter.
 3. Bert. F. Hoselitz, "Levels of Economic Development", in Joseph La Palombara (ed.), *Bureaucracy and Political Development* (Princeton: 1963), p.120. A similar view is expressed by Andreski, who states:
 As the word "corruption" implies a condemnation of the practices to which it refers, it indicates an outsider's view of African affairs....What is regarded as dishonesty in countries well indoctrinated with political ideals, may appear as morally in order in a society where the bonds of kinship are strong and the concept of nationhood remains something very recent and artificial.
 [Stanislav Andreski, "Kleptocracy as a System of Government in Africa", in Heidenheimer, *op.cit.*, p.346.] According to James C. Scott, Andreski's latter point deserves strong emphasis. He writes:
 It is not just the strength of such parochial ties that creates many occasions for corruption, but rather their strength in relation to ties of loyalty to the nation....
 (contd.)

Opposed to those like Hoselitz and Andreski, who insist on the relativity of corruption,⁴ are those who posit an absolute and universal standard of public ethics, against which the probity of *all* political activity, in whatever context, can be measured. Defenders of this position will be hereafter referred to as "absolutists".⁵ Herbert J. Spiro typifies the absolutist reaction when he declares that "corruption is corruption whether it occurs in Nicaragua or Nigeria."⁶ A similar sentiment is to be found in Wraith and Simpkins' following passage, which is as perfect an expression of the absolutist position as one could wish for:

The simple cause of corruption in public life has nothing to do with traditional values, with the African personality, or with the adaptation to western values; those responsible for it have no difficulty in adapting to western values if they want to. Its simple cause is avarice; the wrong that is done is done in the full knowledge that it is wrong, for the concept of theft does not vary as between Christian and Muslim, African and European, or primitive man and Minister of the Crown.⁷

Western standards of official conduct are quite formalistic in the sense that they are relatively recent imports that are seldom held with strong personal conviction.
[James C. Scott, *Comparative Political Corruption* (New Jersey: 1972), p.11.]

4. The most comprehensive arguments to date in favour of the relativity of corruption may be found in Andreski, *op.cit.*; Dwivedi, *op.cit.*; Huntington, *op.cit.*; Joseph La Palombara, *Interest Groups in Indian Politics* (Princeton:1964); Colin Leys, *op.cit.*; Miller, *op.cit.*; Riggs, *op.cit.*; and Weiner, *op.cit.*
5. The most comprehensive "absolutist" works are Braibanti, *op.cit.*; Rene Dumont, *False Start in Africa* (London:1966); P.C.Lloyd, *op.cit.*; McMullen, *op.cit.*; Monteiro, *op.cit.*; Gunnar Myrdal, *Asian Drama: An Enquiry into the Poverty of Nations, Vol. II* (New York: 1968); Segal, *op.cit.*; and Wraith and Simpkins, *op.cit.*
6. Herbert J. Spiro (ed.), *Africa: The Primacy of Politics* (New York: 1966), p.5.
7. Wraith and Simpkins, *op.cit.*, p.45.

The absolutists are very much on the defensive at present, having been frequently attacked during the last twenty years by those who see corruption as culturally relative, and on the face of it, their position does seem weak. There can be little doubt that an unethical act in one culture may be socially acceptable in another, and it is difficult to see how any socially sanctioned action can be deemed corrupt.⁸ To claim the right to use the standards prevailing in one's own country to judge the probity of public life elsewhere requires a superb sense of racial, national or religious superiority.⁹ The absolutists may occasionally show traces of paternalism but they are not usually (at least not overtly) guilty of any of these.

Why then do they insist that standards of corruption can be universally applied? A clue may be gleaned from the passage from Wraith and Simpkins cited above. The absolutist holds that cultural differences do not invalidate a number of broad principles which operate across the board of human existence - including "the concept of theft" which "does not vary as between Christian and Muslim, African

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8. For specific examples and further discussion see Edward C. Banfield, "The Moral Basis of a Backward Society", in Heidenheimer, *op.cit.*, pp. 122-136; Jeremy Boissevain, "Patronage in Sicily", in Heidenheimer, *op.cit.*, pp. 138-152, and "Maltese Village Politics and their Relation to National Politics", *Journal of Commonwealth Political Studies*, Vol.1 (1961-1963), No.3, pp. 211-227; J.K. Campbell, *Honour, Family and Patronage: A Study of Institutions and Moral Values in a Greek Mountain Community* (Oxford: 1964); Fred W. Riggs, "The 'Sala Model' and Comparative Administration", in Heidenheimer, *op.cit.*, pp. 212-219; and M.G. Smith, "Historical and Cultural Conditions of Political Corruption among the Hausa", *Comparative Studies in Society and History*, Vol. 6 (1964), No.2, pp. 164-194.
 9. In the past, of course, it has been the rule for crusading religious movements to denounce practices in foreign lands. In general, though, these customs and beliefs have been castigated as "unenlightened" rather than "corrupt"; the result of ignorance rather than deliberate wrong-doing.

and European, or primitive man and Minister of the Crown". This is a sentiment with which most would agree. It is difficult to imagine a cultural background in which to line one's own pockets by extortion or misappropriation of public funds is not regarded as corrupt.¹⁰ Yet the absolutists are guilty of gross over-simplification, for beyond these obvious extremes the issue is less clear-cut, and this leads them into difficulties which are not readily solved. Wraith and Simpkins for example, hold that the "simple cause" of corruption is "avarice", and that "those responsible for it have no difficulty in adapting to western values if they want to." Elsewhere, however, they concede that:

Some of them undoubtedly know what they are doing, but this is not true of all, for some find the distinction [i.e., between public and private interest] genuinely difficult to comprehend. In the strict sense they are acting corruptly, but only in the context of the mores of Great Britain; and an act is presumably only corrupt if society condemns it as such, and if the doer is afflicted with a sense of guilt when he does it; neither of these apply to a great deal of African nepotism.¹¹

David Bayley sees the above statement as the crux of Wraith and Simpkins' philosophy, which leads him to categorise them as proponents of the theory of the cultural relativity of corruption.¹² It is

10. There is one obvious exception - that of the absolute monarch who exploits his subjects by overharsh taxation and who uses the money so gained to gratify personal desires. As reprehensible as such conduct may be, it cannot under normal circumstances be called corrupt, as in most kingdoms the state is (or was) identified with the monarch's person. Public money, therefore, is indistinguishable from the monarch's private wealth and hence his to dispose of as he pleases. As Huntington points out: "If the culture of the society does not distinguish between the king's role as a private person and the king's role as king, it is impossible to accuse the king of corruption in the use of public monies". [Huntington, *op.cit.*, p.69.]

11. Wraith and Simpkins, *op.cit.*, pp. 34-35.

12. Bayley, *op.cit.*, p. 721.

contended here, however, that Bayley has misinterpreted Wraith and Simpkins' approach, which consists in the main of the application of western standards to an African situation, and that the passage quoted above represents a contradiction of their true positions; a contradiction forced on them by their consideration of African nepotism. This analysis is supported by Colin Leys who writes of Wraith and Simpkins: "the 'moralising approach' (their own term) involves a difficulty, namely that their standpoint may differ from that of those who do the things which they regard as corrupt."¹³ As Wraith and Simpkins' concern is to demonstrate that given the nature of historical and cultural differences there is no justification for the belief that the experience of Britain under modernization in the nineteenth century will be paralleled by the African states in the twentieth century, an interpretation such as Bayley's is understandable. Yet, despite their awareness of cultural diversity, Wraith and Simpkins' concept of corruption is both western in nature and universal in scope. The passage quoted on p.102 is more representative of their conceptual approach than that cited above.

The inability of Wraith and Simpkins to resolve this contradiction points up the basic weakness of the absolutist's position: he would like to believe that a universal standard of public ethics can be applied to all humanity - indeed he insists that it does - but he continually confronts evidence to the contrary. Furthermore, the absolutist's attempt to apply universal criteria to differing cultural situations forces him to minimize important sociological considerations. It is all very well for Wraith and Simpkins to claim that those

13. Colin Leys, *op.cit.*, p. 216.

responsible for corruption "have no difficulty in adapting to western values if they want to". Insofar as those responsible belong to the westernized upper echelons of public life, Wraith and Simpkins' claim that "avarice" is the "simple cause" of corruption may be justified.¹⁴ Below those levels it is difficult to sustain. As they themselves admit, a great many people do have trouble comprehending western norms. Wraith and Simpkins are wise to point out that the adoption of western values depends on whether those concerned "want to". The question which they should (but don't) ask, is "why should they want to?" Most traditional systems involve a comprehensive set of customs, traditions, attitudes and directives for daily behaviour of sufficient consistency to provide life with rationality and motivation. Busia writes:

The traditional systems were not perfect; imperfection is written upon all human situations. There have been bad chiefs and councillors; there have been instances of corruption and exploitation and abuse of power; but the machinery was devised, and when it functioned well could check those in power and protect those who were ruled, and regulate behaviour for the peace and well-being of the community.¹⁵

Furthermore, to abandon traditional custom in favour of alien ways is to admit the inadequacy and inferiority of one's own cultural tradition, a step involving a concomitant loss of self-respect.¹⁶ And finally, it is easier to relate to traditional values than to western norms

14. Even if among those sectors of the community which have apparently been most successful in adopting western values, traces of traditionalism still remain, they are not likely to be prime behavioural determinants in most cases.

15. K.A. Busia, *Africa in Search of Democracy* (London: 1967), p.29.

16. It is for this reason that so many ardent Afro-Asian nationalists desperately desire modernity without westernization. They wish to create and foster pride in the unique character of the emerging nation by maintaining and affirming cultural continuity, while utilizing western technological achievement - a goal which, as was noted earlier, no nation has yet achieved with any degree of success.

because the understanding and appreciation of the historical circumstances in which the traditional culture developed, is absent in the case of western values. If one is to ask people to accept an alien system of values in preference to time-honoured traditional norms without appreciation of the historical experience which shaped those values and provides their spiritual legitimization, one must be prepared to accept a high rate of rejection. Small wonder, then, that so many are reluctant to abandon the old norms when faced with an alien value system in conflict with the traditional system.

The technique of applying western standards of corruption in situations of cultural clash leads the absolutists to see as the remedy for corruption, the total acceptance of western universalistic norms in place of traditional value systems. Braibanti's article, for example, is a plea for the substitution of western bureaucratic norms for traditional values. He writes: "The first and by far the most important corrective is that of common acceptance by the total society of standards of governmental morality",¹⁷ which in his opinion can only be done if the ethics of western "depersonalized bureaucracy"¹⁸ are accepted by all. Curiously, Braibanti is much more willing to accept that concepts of corruption are culturally variable than are most other absolutists. He states that "corruption thrives in such conflict of values simply because there is no agreement as to what corruption is."¹⁹ But this statement itself reveals the difficulty of the absolutist position, for while accepting that "there is no

17. Braibanti, *op.cit.*, p.365.

18. *ibid.*, p. 365.

19. *ibid.*, p. 366.

agreement as to what corruption is", in the same sentence he is able to state: "corruption thrives in such conflict of values", which indicates that he himself is quite certain that a particular type of behaviour is corrupt, whether those involved know it or not. The problem, then, is not to decide whether an action is corrupt in terms of traditional norms. It is enough that it is corrupt in terms of western values, and the people concerned have to be convinced that if this is so, the act is corrupt, and whether traditional values deem it as such is irrelevant.²⁰ Thus Braibanti has no doubt, for example, that the public servant who, by favouritism, fulfils family obligations as required by traditional values, is acting corruptly - because he has violated the fundamental western bureaucratic norm of treatment according to merit.

Now it may well be that it is in the interests of these countries to replace traditional with western values. In terms of economic and administrative well-being this seems likely to be the case, though whether the social and cultural side-effects are equally desirable is

20. A similar position is adopted by M. McMullen. He writes: "There were and are many features of the traditional way of life which, in the context of colonial and post-colonial society, contribute to the prevalence of corruption. My argument is that it is this clash of old customs, attitudes, etc. with the new forms of government that gives rise to corruption." (McMullen, *op.cit.*, p. 186). Like Braibanti and unlike most absolutists, McMullen emphasizes the traditional/modernist value clash. Yet because he defines corruption in terms of western values, he naturally adopts the position that corruption is prevalent in developing countries because people who may be acting in accordance with traditional values are transgressing the new political and administrative norms, which he takes as the determinants of what constitutes corruption.

less certain.²¹ This is not the point however. The absolutist feels no obligation to prove that it is in the interests of developing nations to substitute western norms for traditional value systems; he takes this for granted. His position is therefore highly subjective and runs counter to a significant trend in Afro-Asian nationalist thinking - that of reassertion of the traditional cultural heritage in opposition to the encroachments of westernization. Nowhere does the absolutist give any indication of where he stands on the western/traditional continuum - of whether he wishes the entire society to westernize (in which case it becomes a more or less successful imitation of a European society) or whether it is only necessary for the administrative, political and business sectors to adopt western values (in which case the situation remains substantially as it is now, with western-orientated bureaucracies attempting to service basically traditional societies).

The absolutist position then, has many weaknesses. This is not to say, however, that the position adopted by those who define corruption as a cultural variable does not have drawbacks. Like the absolutists, the position most relativists take is too extreme. The absolutists, in proclaiming universally valid criteria of corruption,

21. Witness, for example, the remarks attributed by Sinker to an imaginary native of the Middle East:

"I see that under your present system you pride yourselves on not giving a helping hand to your friends and relatives. Is this wholly a virtue? I feel myself under an obligation to my relations: if they are in want I feed them, or better, get them a job so that they can feed themselves. You leave your relatives to the care of the State. You may be more virtuous, but you are also more cold-hearted. You may be more dutiful towards the State, but you are less dutiful towards your own family and relatives."

[A.P. Sinker, "What are Public Service Commissions For?", *Public Administration*, (London), Vol.3 (1953), No.2, p.204.]

must either (a) ignore or deny the existence of cultural differences or (b) claim (or hold by implication) that such differences are non-operative in the field of public ethics. The relativist, on the other hand, (a) overlooks the substantial similarities between ethical systems, and (b) that it is around the peripheries, rather than at the basics that most points of difference lie.

The other serious problem which besets the relativist position is best described by Tilman:

... the modern social scientist may become more encapsulated in the indigenous culture than is the native administrative officer himself and thereby fail to see corruption even though it is one of the favorite subjects of coffee house conversations among both observers and participants.²²

There is ample evidence to suggest that many political and administrative leaders of developing nations are concerned about widespread venality, and are themselves in no doubt about what constitutes corruption, even if many social scientists are. Gunnar Myrdal writes:

The problem of corruption ...is...very much on the minds of articulate South Asians. The newspapers devote much of their space and the political assemblies much of their time to the matter; conversation, when it is free and relaxed, frequently turns to political scandals. Periodically, anti-corruption campaigns are waged; laws are passed; vigilance agencies set up; special police establishments assigned to investigate reports of misconduct; sometimes officials, mostly in the lower brackets, are prosecuted and punished and occasionally a minister is forced to resign. Occasionally committees are appointed to deal more generally with the problem of counteracting corruption.²³

The best-known manifestation of this concern is the Santhanam

22. Tilman, *op.cit.*, p. 437.

23. Gunnar Myrdal, "Corruption as a Hindrance to Modernization in South Asia", in Heidenheimer, *op.cit.*, p. 231.

Committee²⁴ set up by the Indian Government in 1962. Though it was the subject of much criticism within India itself,²⁵ the Santhanam Report remains the most comprehensive examination of the processes leading to corruption which any developing nation has yet undertaken - and the concept of corruption which the Santhanam Committee employed was unmistakably western; its terms of reference (and its eventual recommendations) could just as readily have been employed in (and resulted from) and investigation of corruption in Britain.

A less well known but nonetheless interesting example is the Tanzanian Government's 1967 Arusha Declaration. Part Five of the Arusha Declaration laid down a leadership code which the African scholars Mohiddin and Mazrui described as "one of the most courageous measures undertaken by Nyerere's Government".²⁶ Among other things the Declaration decreed that no government personnel were to hold shares

24. So-named after its chairman, Mr. K. Santhanam, M.P. The Santhanam Committee held 87 exhaustive meetings before its report, which paid particular attention to the influence of the social climate on corruption, and to the effectiveness of the work of the "vigilance units" of Government departments, was submitted.

25. cf. Monteiro, *op.cit.*, pp. 72-96.

26. Ahmed Mohiddin and Ali A. Mazrui, "Political Leadership and the Control of Temptation: Tanzania's Measures against Corruption" *The Parliamentarian*, Vol. 5 (1970), No.3, p. 184. It is of interest that Nyerere's concept of what is and what is not corrupt should be so essentially western, when he, perhaps, more than any other African leader, has actively opposed wholesale westernization of administrative and political values and institutions. Rivkin points out, for example, that Nyerere "rejected late in 1963, the concept of an impartial and professional service as 'British' in concept and not African" [Arnold Rivkin, *Nation-Building in Africa: Problems and Prospects* (New Jersey: 1969), p. 139.], as a prelude to bringing the public service under party control, though the extent to which Nyerere's action was based on principle and how much may be attributed to a rationalization of his power accumulation is another matter.

in private enterprises or receive more than one salary - measures which many western countries have been reluctant to take. In fact Nyerere had made plain his hard-line attitude to corruption seven years before the Arusha Declaration. In a speech in 1960 he linked corruption with treason: the latter, he said, is the ultimate sin against the state; the former the ultimate sin against society.

An approach to corruption such as this (and these are not isolated examples) is a far cry from the attitudes expressed by scholars of the relativist school. One is thus entitled to ask which view has the greater validity - that of the British or American student of corruption who notes the different ethical standards of Africa, Asia and his own country, and concludes thereby that what is happening in the Third World is not strictly corruption, or the indigenous leader who is not only in no doubt concerning the corrupt nature of these practices, but feels so strongly about the matter that he likens it to treason.

In the relativists' favour it must be admitted that those scholars, administrators, newspaper editors and political leaders who are condemnatory of "corrupt" practices belong to the westernized elite, and as we have seen, many of the problems arise because their values do not coincide with those of the bulk of the people, or even with those occupying lower political and administrative positions. The concepts of corruption embodied in the Arusha Declaration and Santhanam Committee Reports do not necessarily reflect current attitudes at the grass roots. Given the high incidence of corruption among westernized sectors of society however (for which cultural relativity cannot serve as mitigation) it is clear that the case for

the relativists is far from watertight. Firstly, by overlooking the basic similarities between most systems of public ethics they ignore opportunities for cross-cultural reference and that where concepts of correct behaviour by public officials are concerned, differences will be marginal rather than central. Secondly, by claiming that Third World corruption is the result of people following traditional dictates rather than western norms, they overlook high corruption rates among the westernized elites, where traditional considerations are no longer overwhelmingly influential.

In general then, the absolutist/relativist controversy suffers from the black-white syndrome; proponents of each position have tended towards the extremities when in fact reality lies somewhere between the two. In theory the absolutist position seems quite untenable; in practice it is at least as valid as the relativist standpoint which places greater emphasis on differences between ethical systems than the facts warrant.

Fortunately a minority of observers have recognized the inadequacies inherent in the "pure" absolutist and relativist approaches. Robert Tilman, for example, states:

Given the "scientific" origins of the discipline of public administration²⁷ it is not surprising

27. Tilman here raises a very interesting point. Although he does not say so explicitly, he seems to indicate that as a general rule the social scientist tends to see corruption as culturally variable, whereas the social scientist who studies public administration tends to see it as fixed. Though there are important exceptions, observation suggests that this view is substantially accurate. While perhaps unfortunate, it is quite understandable. In the passage quoted Tilman indicates one reason why students of public administration are likely to view corruption in absolute terms. To this one might add that students of public administration are more likely to view corruption in developing nations from the ethical viewpoint of the public bureaucracy (this is what they are studying, after
(contd.)

that most specialists begin from this absolutist point of view, and I am not enough of an iconoclast to deny completely the validity of their assumptions. 28

On the other hand:

... arguments, as coins, have two sides. The ideal world that we posit may not be the same as the ideal world framed by the Vietnamese Montagnard, the Kalimantan Dayak, or even the University of Singapore educated Malayan civil service officer.... There is no doubt that the practices of "dash" in Africa and "tea money" in Asia (often called "speed money" in India) are deeply embedded in their respective cultures. In this sense social scientists who accept a purely cultural explanation are indeed correct in arguing that dash and tea money do not constitute corruption, since these practices are sanctioned by the cultures within which bureaucratic systems operate. 29

Having formulated the problem, however, Tilman avoids its full implications by adopting a short-term solution to suit his immediate needs. He adopts an "administrative" definition of corruption which, "as I am employing the term here, can take place only in an environment where formal government policy supports a modern bureaucratic system."³⁰ He elects to employ the western bureaucratic definition of corruption in other words. Tilman is, of course, justified in

all) than that of society at the grass roots. In most cases of course, the difference will only be marginal if it exists at all. But when the situation occurs (as it has in this century where administrative systems imported from Europe and predicated on European norms have come into conflict with traditional systems) where there is considerable difference between the norms adhered to by the political and administrative elites and the rest of society, it is the social scientist other than the student of public administration who seems most likely to be aware of the differing concepts of corruption held by the official bureaucracy and grass-roots society, and thus to emphasize the relativity of concepts of corruption, often at the expense of consideration of the essential unity of values between different traditions of government.

28. Tilman, *op.cit.*, pp. 437-438.

29. *ibid.*, p. 438.

30. *ibid.*, pp. 438-439.

taking this approach, which is infinitely preferable to that of those observers who apply western concepts of corruption to traditional systems without providing any justification for doing so. Nonetheless, having described the nature of the absolutist/relativist dichotomy so succinctly, it is unfortunate that he did not see fit to attempt a solution to the problem.³¹

The most comprehensive of the attempts to resolve the absolutist/relativist dilemma is that of David Bayley, who, while acknowledging the cultural variability of standards of public ethics ("It not infrequently happens, then, in developing non-Western societies that existing moral codes do not agree with Western norms as to what kind of behaviour by public servants should be condemned",³² and "The conflict in the hearts of civil servants is precisely over which standards of morality should prevail, the Western or the traditional."³³), nevertheless maintains that despite the difficulty of dual standards of definition, it is necessary to adhere to the Western meaning of corruption:

If the Westerner chooses the culturally relevant definition, he will either end by abandoning it altogether or will find it necessary to define it peculiarly, perhaps differently, for every

31. He does, however, provide us with one interesting clue. He states that "there is at least the attempt to carry out these unsanctioned transactions in relative secrecy" (*ibid.*, p.432), which, he believes, "does at least set aside certain kinds of behaviour in certain settings that cannot be described as corruption" (*ibid.*, p.439). In practical terms Tilman's observation makes sense. One of the most reliable indications of whether a practice is socially sanctioned or deemed to be corrupt undoubtedly is whether or not those involved feel the need for secrecy or are willing to conduct their business freely and openly. The relationship between corruption and secrecy will be further examined in chapter 11.

32. Bayley, *op.cit.*, p. 721.

33. *ibid.*, p. 722.

non-Western country studied.³⁴

He presents a number of arguments to support his assertion:

(1) To adopt definitions relevant to particular cultures presents serious problems of communication for students of corruption.

(2) A single definition provides a uniform standard by which a phenomenon such as bribery can be analysed without having to first consider whether or not that particular practice is socially acceptable. ("The advantage of this solution is that we get rid of non-essentials, such as the elements of social judgement, but keep the denotative core, i.e., the taking of bribes or employing of relatives."³⁵)

(3) Western standards of corruption are sufficiently widespread to provide a readily understandable basis of judgement even within and between developing nations:

The intelligensia, and especially top-level civil servants, in most under-developed nations are familiar with the Western label "corruption", and they apply it to their own countries. Since modernization around the world is most often Westernization, the standards the intelligensia and opinion-leaders of these countries are trying to inculcate are Western ones.³⁶

The mere fact that Bayley has attempted to resolve the absolutist/relativist dispute and introduce an element of theoretical consistency into the study of corruption is worthy of merit. Furthermore, it has been acknowledged that the arguments embodied in point (3) are not without validity. Important objections may be raised, however, to points (1) and (2). Firstly, while culturally relevant definitions may present problems of cross-cultural communication, such problems

34. *ibid.*, p. 721.

35. *ibid.*, p. 722.

36. *ibid.*, p. 722.

are by no means insurmountable. What is required is a thorough examination of prevailing norms in the group or area under review. The conclusions which emerge from this examination must then be made clear, so that the receptor of any information transmitted on the subject is aware of just what is entailed by the word "corruption" in that particular context. Admittedly, this is more difficult than formulating a definition of corruption which is then held to be universally valid, but the problem is such that it cannot be avoided merely for the sake of escaping communicative problems which in any case are not so serious as to defy solution.

It is also difficult to see why Bayley should wish to get rid of "non-essentials, such as the element of social judgement, but keep the denotative core, i.e., the taking of bribes or employing of relatives." Bayley simply overlooks the fact that the term "corruption" is a general epithet of moral condemnation. "Bribery", "nepotism" and "extortion" on the other hand are terms which can be defined by reference to a particular identifiable practice. To also call these practices "corrupt" is to add an element of moral judgement. "Corruption" thus becomes a generic term which brings an entire class of activities together under the common factor that they are all considered socially reprehensible. Hence to do away with this "element of social judgement", as Bayley proposes to do, is to leech the word "corruption" of its major definitive component. Far from being a "non-essential", this element of social judgement is *the* essential component of the concept of corruption - it is, in fact, the denotative core, and what Bayley sees as the denotative core (bribery, nepotism, and so on) are the variable "non-essentials".

Furthermore, if Bayley's prime concern with finding a universally-valid definition of corruption is the provision of a standard by which activities such as bribery may be measured on a comparative basis, why, one may ask, is there any need to translate such activities into terms of corruption in the first place? If Bayley merely wishes to compare the prevalence and function of bribery from one situation to the next without being concerned with its ethical status, what is to stop him doing just that? Unlike "corruption", "bribery" refers to a clearly definable action.³⁷ There is nothing to prevent him from examining it on a comparative basis in terms of its role players or its impact on efficiency or its prevalence - in which case there is no reason why he should concern himself with its moral standing (i.e., whether it is corrupt or not).

Where does all this leave us? In general there seems little doubt that concepts of corruption are culturally variable, but that there will be a broad consensus of agreement about a number of activities which we may call "basic" to corruption. It is around the fringe areas that differences are most likely to occur, and while a cursory examination of most cultures will be sufficient to identify those practices which any given culture will deem to be corrupt, around these fringe areas the task will not be quite so simple, and such areas will require particular attention. The approach which most closely approximates that which is here advocated, is that of Miller, who argues that, as corruption is determined by cultural and social values, any appreciation of what is involved in the term "corruption" must be

37. As Bayley himself is well aware. See his explanation of the relationship between bribery and corruption. *ibid.*, p.720.

gained from analysis of the appropriate national character.³⁸

One problem with this approach is that terms such as "traditional", "modern", and even "national character" are likely to mask a wide spectrum of cultural difference. In this chapter the world has been glibly divided into two very neatly-drawn camps - traditional and western. Yet it should be pointed out that variation between traditional and modern cultures is not the only type of differentiation to be taken into account. "Traditional" and "modern" are extremely broad categories on which concentration has here focused because it is around these differences that most contemporary discussion of corruption as a cultural variable has centred. Yet the terms "traditional" and "modern" each cover many unique and distinct cultural traditions. Within each of these two general categories will be cultures which will have significant points of difference from other cultural traditions within the same broad category. Within traditional culture this is immediately obvious. Many African nations, for example, have had to face the formidable problem of different tribal groups adhering to different ethical standards. From his analysis of Northern Nigeria, M.G. Smith concludes: "What Britons saw as corrupt and Hausa as oppressive, Fulani might regard as both necessary and traditional".³⁹ which in itself is a factor contributing to increased corruption. Huntington states:

The degree of corruption which modernization produces in a society is, of course, a function of the nature of traditional society as well as

38. Miller, *op.cit.*, pp. 64-67.

39. M.G. Smith, "Historical and Cultural Conditions of Political Corruption among the Hausa", *Comparative Studies in Society and History*, Vol.6 (1964), No. 2, p. 194.

of the nature of the modernizing process. The presence of several competing value systems or cultures in a traditional society will, in itself, encourage corruption in that society. Given a relatively homogeneous culture, however, the amount of corruption likely to develop during modernization would appear to be inversely related to the degree of social stratification in the traditional society.⁴⁰

McMullen agrees. He points out that:

Countries such as Scandinavian States, with a marked homogeneity of society, are, it is generally agreed, fairly free from corruption. The shortcomings in this respect of the U.S.A. can be related to its large immigrant population and its second class races. The role of immigrants in the corruption of big city politics is a commonplace of American political science.⁴¹

It will be noted that McMullen takes his examples from western countries. Even in western countries then, corruption is likely to be more prevalent in situations of cultural diversity. Similarly, western culture is, like traditional culture, a broad term covering a wide range of cultural experience, within which will be many differences in approach to questions of public ethics. The different historical experiences of the United States and the United Kingdom, for example, created significant differences in attitudes to corruption. Odegard describes the situation in the United States in the following none too flattering way:

Beyond the opportunities that the expanding economic life of America has offered to corruption and the defects of American political organization in the control of it, there is the general cultural milieu which has made corruption and racketeering an integral part of American society. Corruption is in a sense

40. Huntington, *op.cit.*, p. 64.

41. McMullen, *op.cit.*, p. 197.

a product of the way of life of an acquisitive society where "money talks", where that which "works" is justified, and where people are judged by what they have rather than what they are.⁴²

Nor can it be claimed (as it was in the case of developing nations) that poverty is a major contributing factor in this climate of corruption. Many of the practices which Gibney deplores are carried out by wealthy businessmen with a stake in the maintenance of general prosperity. The fact is, of course, that a great many people regard attempts to "put one over" the tax authorities (considered a legitimate test of wits in which everyone engages), to take steps to force a rival out of business, or to make excessive profits by selling slickly-packaged second-rate goods through high-pressure advertising campaigns, as all "part of business" in an acquisitive

42. Odegard, *op.cit.*, pp.453-454. Venkatappiah makes a similar observation (*op.cit.*, p.274), as does Joan Joseph, *Political Corruption* (New York: 1974), pp. 44-48 and 67-70. Frank Gibney also notes the existence of a "climate of corruption":

... our national future is being misshaped, far more than we realize, by the witless optimist gulled into phony stock purchases, by the two-bit chiseler padding his outsize expense account, by the corporate dodger who writes off his Florida yacht as a business expense, the influence-peddler who tampers with legislation.

[Frank Gibney, *The Operators* (London: 1960), p.252.] Moreover, while the situation as described by Gibney is sordid enough, it does not take into account the political gangsterism and racketeering which have customarily thrived in the United States. [cf. Virgil W. Peterson, "Rackets in America", *Journal of Criminal Law, Criminology and Police Science*, Vol.49 (1959), pp. 583-589], in which the author recounts some of the more notorious examples of gangster control of unions and political associations. Similar examples may also be found in Alexander Heard, *The Costs of Democracy* (North Carolina, 1960), pp.154-168. The most important documentary evidence of the links between organized crime and politics is the U.S. Senate Special Committee to investigate Organized Crime in Inter-State Commerce (The Kefauver Crime Committee), *Hearings*, (Washington, 1951).]

society.⁴³

Where the dominant cultural ethic is that of making money, in the process of which those who most benefit from what is often called "the system" do not hesitate to feather their own nests by cheating it, it seems unavoidable that what Gibney terms a "climate of fraud"⁴⁴ should exist.⁴⁵ This is not to say that acts of corruption are accepted as morally legitimate (and therefore not corrupt), but that they are accepted as an inevitable fact of political life - a necessary evil - and hence must be tolerated. Frank Kent commented in 1928 that political events in the 1920s had:

... thoroughly scrapped the old idea that the general run of American voters ... are so inherently

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43. It may be claimed that just as we questioned whether much of the "corruption" in developing nations warrants such a label, it is also arguable that these "business practices" do not constitute corruption as those involved regard them as legitimate. The comparison does not stand up to analysis, however. These practices cannot be excused as the dictates of a rival cultural system with a greater claim on the individual's loyalty. If pressed, most of those involved would be forced to admit that the activities in which they have participated transgress the stated ethical norms of the nation (and in many cases, the personal moral standards to which they publicly claim to adhere). Any argument that tax-evasion is morally legitimate because "everyone else does it" (or for any similar reason) becomes mere rationalization of one's own behaviour. One of the major problems with which the U.S.A. is faced is the wide disparity between stated ideals and practice. No other country has such a demanding theoretical concept of public ethics, nor has any other country made such a strenuous attempt to regulate public ethics by law, yet few nations, and certainly no modern industrial nations, have fallen so short of their proclaimed goal in practice.
44. Gibney, *op.cit.*, p. 252.
45. It must not be thought that this "climate of fraud" is perpetuated by the cynical dealings of respectable businessmen alone. Organized labour has long been recognized as the scene of some of the worst abuses in American public life. The exploits of James Hoffa, notorious ex-boss of the Teamsters Union for example, are almost legendary. For a detailed study of the less savoury aspects of American trade union operations, see A.L. Gitlow, "Machine Politics in American Trade Unions", *Journal of Politics*, Vol. 14 (1952), No.3, pp. 370-385.

honest themselves that they spontaneously revolt against governmental and political corruption. In its place the principle has been firmly established - proved in fact up to the hilt - that the great mass of voters have no inherent or instinctive objection to corruption; that at heart, however they may have felt in former decades, they do not now expect or demand rigid honesty in public officials, party leaders or party candidates.⁴⁶

The U.S.A. of Kent⁴⁷ and George Washington Plunkitt⁴⁸ is vastly different from contemporary America, and as Tilman points out: "undoubtedly no public figure in the United States today would run the risk of a negative reply by an outraged public ... [though] in 1920 Plunkitt felt it safe enough to ask his audience: 'ain't it perfectly honest to charge a good price, and make a profit on my investment and foresight?'"⁴⁹

Yet even today, the social climate in the U.S.A. seems much more conducive to corruption than it is in the United Kingdom. While the United States has been plagued by widespread venality during the last three-quarters of a century, Britain has been establishing a reputation for the soundest integrity in public life. In 1931, a time when murderers and stand-over men were still able to control

46. Frank Kent, *Political Behavior* (New York: 1928), p.121.

47. Kent's book, in fact, amounts to a complete repudiation of the entire ethical basis of American democracy, perhaps understandable in the time of the Coolidge Administration. The excesses of corruption in the Nixon administration have more recently led to similar concern for the very moral basis of American democracy.

48. George Washington Plunkitt was the notorious Tammany Hall politician who in 1920 delivered his now-famous speech in which he coined the distinction between "honest graft" - making use of inside information available to him by virtue of his public position to profiteer in real estate - and "dishonest graft".

49. Tilman, *op.cit.*, p. 438.

political machines in the U.S.A., a member of the British Parliament was forced to resign over misuse of a mere railway pass. An even more telling comparison can be made of events from 1948 to 1952. At a time when the Truman administration was rocked by scandals involving top personnel in the administration in which sums in the order of \$300,000 were mentioned, in Britain a Board of Trade official who had purportedly accepted three dozen bottles of wine and one dozen of whisky from a personal friend who was also a wine distiller attempting to secure an import licence, lost his job as the result of an exhaustive enquiry by a specially-created tribunal. In the American scandals large sums of money were involved, the taint of suspicion had settled on a number of key personnel in the Administration, and the President's own reaction was to defend his aides against the accumulating charges, only yielding to pressure and instituting enquiries when the situation had become quite ludicrous. Even then there are indications that he intervened personally to emasculate the enquiries,⁵⁰ which were finally dropped completely, the new Attorney-General (whose predecessor was dropped with the enquiries) announcing his reliance on the findings of the F.B.I.'s pending investigation. In the British scandals, the taint of suspicion touched only two minor public officials, who had received a token consideration for doing a friend a personal favour, the importance of which was negligible in real terms. Yet the Prime Minister himself moved to set up the tribunal, and the Opposition carefully avoided any attempt to make political capital from the incident. The British allegations came nowhere near the scale of the American

50. See Louis W. Koenig (ed.), *The Truman Administration* (New York: 1956), p.73.

charges in terms of the amount of money and number of people involved, yet the American people did not seem to regard the allegations of widespread corruption as an issue of prime importance,⁵¹ and the head of the Administration appears to have personally attempted to fob them off, while the British allegations were termed "sensational" and as one observer noted, "England was all agog".⁵²

That the British are less willing to tolerate apparent breaches of public ethics may be largely attributed to different cultural development. If the United States epitomizes the "get rich quick" ethic of rampant capitalism, Britain is much more influenced by the hallowed tradition of selfless public service. Britain provided the world with the model of what a civil service should be, and the British civil service is still revered as the prototype which every civil service should strive to emulate. The standards enunciated in the civil service revolution in the nineteenth century are jealously guarded and have permeated beyond the civil service itself to all spheres of public life. Furthermore, Britain cannot boast the boundless economic opportunities which are such an integral part of the American system. The same spirit of aggressive competition is therefore not as important an element in Britain's national character as it is in the United States. This is not to claim that corruption rarely occurs in Britain, but that the excesses of corruption which have been such a feature of American political life have been absent in Britain, at least during the last hundred years. It may also be that the forms which corruption

51. A similar absence of concern was apparent in the early months of the Watergate revelations (see chapter 7).

52. Madeline R. Robinton, "The Lynskey Tribunal: The British Method of Dealing with Political Corruption", *Political Science Quarterly*, Vol. 68 (1963), No.1, p. 109.

normally takes in Britain are different from those which prevail in the United States. The most outstanding scandals involving public figures in Britain in recent years have had more to do with sex than money. The two countries' attitude to patronage is also interesting. Each country would hold patronage to be corruption under certain circumstances, yet it is a most important feature of legitimate political life at the same time - the "spoils system", which has been of such importance historically in the United States, and which permeates all levels of American politics from the president down, and the honours system in the United Kingdom.

Nor are cultural differences necessarily differentiated primarily along national lines. Within a broad national culture there may be numerous sub-cultures based on religious, racial, class, or even generational groups, whose concepts of corruption may differ from each other and the nationally accepted norms.⁵³ The Vietnam War, for example, was described by its youthful opponents as a "corrupt" war. They did not mean that the war was corrupt in the sense that it was used by unscrupulous individuals to accumulate unsanctioned material profit (though this undoubtedly happened). They denounced it as "corrupt" because they believed the circumstances in which this particular war was prosecuted transgressed some higher morality. Thus a whole new dimension of "corruption" is introduced, whereby an individual

53. As Miller also points out. In adopting "national character" as his standard, he notes:

... the probable existence in any complex society of several sub-cultural characters, found, for example, within ethnic, generational, class and occupational groupings. Whilst being aware of this probable diversity, it is nevertheless understandable in early stages of research to concentrate on isolating the one dominant mode which distinguishes one society from another.

(*op.cit.*, p.65.)

or group of individuals may not only be corrupt in terms of the violation of an institution's accepted ethics, but that institution itself may be corrupt in terms of its violation of a higher transcending morality. The implications of this additional dimension will be examined in chapter 11.

There is one other way in which "corruption" may be seen as variable rather than constant. In the next chapter the contention will be examined that corruption has beneficial side-effects in developing nations which outweigh its undesirable aspects. If this is true there may be a case for not considering the practices so-called as corrupt, because the term "corruption", it may be argued, carries the express connotation of something less desirable than the original "pure" state of affairs. Unless corruption results in a change for the worse, in other words, it cannot properly be called corruption. Car Friedrich, for example, considering the possibility that corruption may have a positive function, states:

The difficulty with such cases is that they really do not fall under corruption as the pattern has been delineated above; for if public benefits rather than expense are the result of the actions taken, the power-wielders are not corrupt, but merely employ deviant and devious modes for accomplishing what is necessary.⁵⁴

This argument, however, ignores the fact that the concept of corruption is (as was noted earlier) essentially moral in nature, which transfers the definitive essence of "corruption" away from its effects⁵⁵ back

54. Carl J. Friedrich, "Political Pathology", *Political Quarterly*, Vol. 37 (1966), No.1, p.75.

55. This is not to say that cost-benefit analyses of corruption are without validity. It is merely claimed that they cannot be used as determinants of what is corrupt and what is not.

to its standing in ethics.

What conclusions can be drawn from this analysis? Firstly, it seems obvious that cultural variations will inevitably result in different concepts of right and wrong public behaviour, differences which may be subtle, which may be constantly changing, and which may vary further when particular subcultures within a broader cultural setting develop behavioural norms of their own. Given these variations in concepts of public ethics, the indiscriminate application of western bureaucratic norms to all situations is obviously an inaccurate determinant of corruption. Before any analysis of corruption is undertaken in a given cultural context then, it is necessary to ascertain the norms of public behaviour which prevail in that setting. This is a task which can never be carried out with complete perfection, though public opinion surveys and careful analysis of ethical norms as revealed in the media, public debate (in institutions such as parliament for example), legal interpretation and the pronouncements of interest groups, should enable the impartial observer to reach a reasonably accurate assessment of prevailing public morality. This is a long arduous process, and no matter how expertly it is carried out, an element of doubt as to the accuracy of the conclusion drawn must always remain. Yet there appears to be no easier solution.

CHAPTER 5.

MORALISTS VERSUS FUNCTIONALISTS

Most contemporary academic debate about corruption centres around two areas of controversy. The first, which was discussed in chapter 4, concerns the question of whether what constitutes corruption remains constant or is culturally variable. The second, whether corruption has a beneficial role to play in nation-building and is to be tolerated accordingly, or whether, as a moral evil, it is to be resisted absolutely and always, will be discussed in this chapter.

The controversy to be examined here is related to that discussion in the preceding chapter. Protagonists of the position that corruption is evil by definition and hence to be opposed at all times (hereinafter referred to, for obvious reasons, as "moralists"¹) tend to support the absolutist position - that a common standard of morality can be applied in all circumstances. This is not surprising. Those who uphold the validity of a universal standard of public ethics are also likely to judge practices as politically desirable or undesirable in terms of this standard. If a practice is considered deserving of condemnation regardless of cultural considerations, it is also likely to be considered deserving of condemnation regardless of economic and other considerations. Similarly, relativists - those who insist that local value systems should be taken into account in determining what constitutes corruption - are more likely

1. In fact, this term is used by Wraith and Simpkins, possibly the most "hard line" proponents of this school of thought, to describe their own approach (*op.cit.*, p. 172).

to insist also that local socio-economic realities be considered when determining the undesirability (or otherwise) of corruption. Protagonists of this view shall be referred to throughout this text as "functionalists",² as their major concern is with the function of corruption in society rather than its ethical standing.

Absolutists tend to be moralists (and vice versa) then, because the approach of these observers to corruption tends to be fairly rigid and universalistic in character, while relativists and functionalists tend to be one and the same because their approach is more flexible and pragmatic. In the analysis of the relativist/absolutist dispute, a tendency to adhere to extreme positions was noted. As the personnel in that controversy and that between moralist and functionalist are generally the same, it is not surprising that this second dilemma has also been marked by a tendency to polarisation, when in fact the soundest position lies somewhere between the two.

One point must be made at the outset. While the above simplification of the moralist position is substantially accurate, it is generally along other lines that the moralist carries the fight to the functionalist. The moralist's opposition to corruption may stem essentially from his ethically based feeling of revulsion. He is, however, usually prepared to meet the functionalist on the functionalist's own ground - that of development in general and economics in particular. Hence the moralist will normally argue that the economic effects of corruption on society must necessarily be

2. This term also has precedents. Heidenheimer uses it (*op.cit.*, p.480) in his introductory essay to the section of his anthology dealing with the effects of corruption on modernization.

detrimental, whereas the functionalist argues that this is not always, or even usually, so.

This is important for two reasons. In the first place, the argument is most likely to take place on an economic rather than on a moral plane, for the obvious reason that at the level of pure morality many functionalists would probably agree with their adversaries. This granted, it might therefore be expected that debate would centre around an extremely fundamental question of ethics - namely, in circumstances such as these, when moral imperatives clash with what may arguably be in society's best economic interests, which should take precedence? That discussion has not developed along these lines is largely the fault of the moralists. As this is not a problem which functionalists are likely to even acknowledge, it is up to the moralists to initiate debate concerning it. On the surface, at least, the moralists could probably present a sounder case at this level than they have done in the more practical realm of economic and political development.

The second point of significance arising from the nature of the moralist/functionalist dispute concerns the objectivity of the moralist position. It has been said that functionalists and moralists are unlikely to disagree to any great extent about the standing of a particular practice in ethics. Their disagreement stems from the functionalist's assertion that these moral considerations are largely offset by the positive role which corruption may play (they believe) in matters economic and administrative. As the moralist, for whom ethical concerns are primary, is unable to take this step, he must continue to oppose corruption unfailingly and on all levels at which argument might take place. Now it may be that the ideal of a

value-free social science is a chimera. Even if this is conceded, however, the moralist's attempt to establish adverse economic consequences of corruption, arising as it does, not from an open-minded assessment of the evidence, but from a personal morally-based abhorrence of corruption, must be open to strong criticism, for the moralist in effect is merely seeking - selectively - evidence of adverse economic effects to lend support to what is essentially a moral crusade.³

This rather serious charge is more than borne out by examination of the moralists' writings, though it is more evident in some authors than others. Wraith and Simpkins, for example, leave no doubt as to their emotional commitment against corruption. Their oft-quoted reference to the "scarlet thread of bribery and corruption" has already been cited.⁴ Elsewhere in their opening chapter (entitled, significantly, "The Problem") they refer to corruption as a "disease",⁵ and state further:

In Africa corruption flourishes as luxuriantly as the bush and the weeds which it so much resembles, taking the goodness from the soil and suffocating the growth of plants which have been carefully, and expensively, bred and tended.⁶

A similar emotional commitment is readily discernable in Braibanti's work. Braibanti summarily dismisses any argument to suggest that in some circumstances corruption may actually help rather than obstruct modernization. Indeed, his article is a search for efficient remedies (of which he eventually prescribes ten) with which to combat this

3. I do not wish to impute unworthy motives to those who argue the moralist case. These processes are undoubtedly subliminal.

4. See p. 65.

5. Wraith and Simpkins, *op.cit.*, p.12.

6. *ibid.*, pp. 12-13.

"social disease".⁷ At the other extreme stands Gunnar Myrdal, who presents the most convincing argument in support of the view that the developmental effects of corruption are necessarily negative, and who is also one of the few authors of the moralist persuasion whose writings⁸ give no overt indication that his intellectual position is predicated upon pre-existing moral commitment. (In fact, it may not even be strictly accurate to categorize Myrdal as a moralist.⁹)

It would seem then, that there are deficiencies in the moralist approach. These weaknesses notwithstanding, the actual content of the moralist/functionalist debate has still to be evaluated. Part 4 of Heidenheimer's anthology has been acknowledged as the most comprehensive analysis of the moralist/functionalist controversy to date. In his introductory essay,¹⁰ Heidenheimer sees three "rather distinguishable conceptual frameworks" of functionalism,¹¹ and by way of convenience, the moralist/functionalist clash will be examined in terms

7. Braibanti, *op.cit.*, p. 361.

8. See Gunnar Myrdal, *Asian Drama: An Inquiry into the Poverty of Nations*, Vol. 11 (New York, 1968), or Myrdal's two chapters in Heidenheimer, *op.cit.*, which are taken from the aforementioned work.

9. It may be argued that Myrdal is a functionalist rather than a moralist, whose functional approach has led him to the moralist conclusion. While it is acknowledged that the terms "moralist" and "functionalist" are categorizations of methodology (as they are employed here), Myrdal will still be included among the moralists (indeed, as their most doughty representative) while examining the relative merits and demerits of the "typical" moralist position - i.e., that corruption will always have adverse effects on development.

10. Heidenheimer, *op.cit.*, pp. 480-481.

11. For some reason (which is not specified) Heidenheimer believes that "not all writers who attribute positive functions to corruption should be considered 'functionalists'." (*ibid.*, p. 480). As justification for this statement is difficult to find, and as Heidenheimer himself makes no further elaboration, the term has been used to include all three of Heidenheimer's categories.

of the moralist response to the approaches represented by each of Heidenheimer's three functionalist categories. The first:

Writers who have been inspired particularly by the structural-functional schools in sociology and anthropology perceive corruption as fulfilling positive functions, particularly with respect to social integration.

Heidenheimer sees Merton as the founder of this approach, notes its profound effect on students of political development, and cites Bayley, Abueva and Scott as prominent proponents.¹² The second:

... writers, who relate more directly to the market-based definitions of corruption.... (ascribing) positive functions to corruption as a regulatory instrument for the informal allocation of scarce licences and services,

of whom Tilman, N.H. Leff and V.O. Key are representative. The third:

... writers, who are basically institutionalists and relate to the public-interest definition of corruption, (and who) perceive corruption as fulfilling a useful function as the least of the evils that may become prevalent in political systems during period characterized by political degeneration,

of whom Huntington is the outstanding example.

Corruption as a Positive Developmental Force

It is probably the first of these groups whose ideas are most vehemently resisted by moralists. "Developing countries," writes Venkatappiah, "literally cannot afford corruption....For corruption saps development and makes nonsense of planning".¹³ Venkatappiah does not explain precisely how corruption "saps development", and herein lies one of the major weaknesses of many moralist analyses - the

12. To which the names of Dwivedi and Colin Leys could profitably be added.

13. Venkatappiah, *op.cit.*, p. 274.

general sentiment here expressed is taken to be self-evident,¹⁴ which is to ignore the challenging contributions of Merton, Bayley, Scott *et al.* to the theory of corruption. As Merton's *Social Theory and Social Structure* was published in 1957 (thus predating the writings of each of those authors mentioned in footnote 14), this seems an extraordinary oversight indeed.¹⁵

What does the evidence actually indicate? The most comprehensive analysis of the effects of political corruption on national development has centred on the role of the American political machine in American development.¹⁶ Most writers dealing with the phenomenon of machine politics have agreed in their emphasis on two key facts regarding the nature of the machine.

The first of these is that the political machine arose as a natural response to a unique set of circumstances for which traditional institutions were inadequate. As has been noted, these unique circumstances were the twin social forces of rapid population growth due to large-scale immigration, and the consequent urban revolution which irrevocably destroyed the hitherto rural character of the United States. Under these pressures existing political structures were found wanting. The political machine rose to fill the void thus created. It assumed the urgent tasks of assimilation into the body politic and the provision of opportunities for social mobility for many diverse national

14. See Monteiro, *op.cit.*, Braibanti, *op.cit.*, and Wraith and Simpkins, *op.cit.*,

15. Myrdal and McMullan are the major exceptions, and it is for this reason that heavy reliance will in the following pages be placed on their contributions to the debate.

16. "Development", as the term is used below is to be interpreted as "national development" (including political and social development) rather than in an exclusively economic sense.

groupings. It provided a power structure through which their legitimate demands were heard and mediated.¹⁷ It steered the United States through the period of transition from amateur to professional politics,¹⁸ a change necessitated by the increasing complexity of politics brought about by the population expansion. Thus Weber, observing the role of the machine in American political development, came to the conclusion (in the words of Gerth and Mills) that "'machine politics' were indispensable in modern 'mass democracy' unless a 'leaderless democracy' and a confusion of tongues were to prevail."¹⁹

The second important factor upon which these students of the American political machine tend to agree, is that the corrupt activities in which political machines engaged were pivotal rather than marginal in achieving the functional success with which they have been attributed. McKittrick, for example, speaks of "'routine graft' - the 'oil' that keeps the machine in running order",²⁰ while Weber's observations led him to the conclusion that the spoils system provided the under-innning which made machine politics work.²¹

Taken in conjunction, these two factors indicate that corrupt practices (and they must still be classified as "corrupt", for

17. See Robert K. Merton, *Social Theory and Social Structure*, (New York: 1957), pp. 72-82; McKittrick, *op.cit.*, and Gottfried, *op.cit.*

18. See Sait, *op.cit.*, p. 657; and Gottfried, *op.cit.*, p. 250. The reader is also referred to Gerth and Mills, *op.cit.*, pp. 106-107, for Weber's examination of what this distinction actually meant in practice.

19. *ibid.*, p.17.

20. McKittrick, *op.cit.*, p.506.

21. Gerth and Mills, *op.cit.*, p. 108.

despite their functional utility, they directly contradicted long standing norms concerning the right and proper way to conduct political affairs) played a not insignificant role in American development. How have the moralists reacted to the evidence of American machine politics? The answer is that they have not. No attempt has been made to suggest that things were other than they have been described by students of the political machine. Its example has been completely ignored. According to Myrdal: "in a general way corruption counteracts the strivings for national consolidation, decreases respect for and allegiance to the government, and endangers political stability."²² McMullen lists a number of effects²³ which purportedly stem from corruption and which may be interpreted as hindrances to development - inefficiency, mistrust of the government by the citizen, waste of public resources, discouragement of enterprise (particularly overseas investment) and political instability. Yet the evidence suggests that the American political machine acted as a positive agent of development rather than as an obstacle to it, at a time when traditional institutions were incapable of doing so, and that corruption was an essential means to this end. It certainly did decrease respect for government, though this does not seem to have had a detrimental effect on economic development. Moreover, the decrease in respect for government did not necessarily mean that allegiance to the system was threatened. In any case, the political machine

22. Gunnar Myrdal, "Corruption: Its Causes and Effects", in Heidenheimer, *op.cit.*, p. 540.

23. McMullen, *op.cit.*, p. 182. See also Bayley, *op.cit.*, pp. 724-726. While Bayley's catalogue of detrimental affects complements that of McMullen quite closely, Bayley differs from both McMullen and Myrdal in that he follows this list of negative effects with a similar catalogue of corruption's "beneficial effects".

came into being as a *response* to conditions of political stability, so it would seem that the problem we are confronted with is the old one of the chicken-and-egg. In this case the question is whether corruption leads to instability or vice versa.²⁴ The evidence suggests, that at least under some circumstances, corrupt practices arise as a result of political instability rather than vice versa, and that, depending on the appropriateness of this response, they may eventually lead to a period of increased stability.

It may be argued that Myrdal and McMullen are concerned with the developing nations of Africa and Asia, and that as such, the historical experience of the United States has no relevance to the contemporary debate. Three objections can be raised against this argument. Firstly, the machine age in the United States was obviously an extremely turbulent period of social, political and economic development; a description which could be applied to the Third World today. In each case the incidence of corrupt practices was abnormally high. Secondly, there are, as Scott points out²⁵ significant points of similarity between the American machine and many Afro-Asian political parties. Without pushing it too far, Scott establishes sufficient parallels to render inexcusable the failure of the moralists to take account of the example of the machine.²⁶ Thirdly, the

24. A similar problem occurs with the question of inefficiency, about which more will be said later.

25. "Corruption, Machine Politics and Political Change", *op.cit.*, pp. 1152-1156. Scott does point out, however, that machine-type politics have been less successful in the new nations than one might have been entitled to expect. (*ibid.*, pp. 1156-1158.)

26. Other functionalists have also emphasised these similarities. cf. Weiner, *op.cit.*, p. 71, and Aristide R. Zolberg, *Creating Political Order: The Party States of West Africa* (Stokie, III.: 1966), pp. 122 ff.

example of the machine has relevance because of the universalistic terminology in which the moralist argument is couched. No concessions are made (none are acknowledge in print, at least): it is simply held that the effects of corruption on development *are and always will be* deleterious. The example of the American politician machine strongly suggests that this is not so.

In theory then, the moralist position, like that of the absolutist, is tenuous in the extreme. In practice, the moralist (again like the absolutist) does considerably better. It will be noticed that not all the supposed effects of corruption on development as seen by McMullen have yet been considered. There remain two - waste of public resources and discouragement of overseas investment. There seems little doubt that McMullen has here hit upon two effects of corruption on development which are, in the main, disadvantageous. Firstly, consistent and long-range planning is certain to be severely hampered if widespread corruption results in the squandering of large sums of public monies for purposes other than those for which they have been earmarked.²⁷ Yet it is difficult to see how the effects of rife corruption can be otherwise. Secondly, if corruption does inhibit the inflow of foreign investment (and here the discussion should perhaps be broadened to include foreign aid), economic development will obviously be considerably handicapped. The issue at stake then, is whether corruption is likely to have the effect

27. As J.S. Nye reports: "... capital accumulation by corruption that winds up in Swiss banks is a net loss for the developing country. These costs can be considerable. For instance... from 1954-1959, three Latin American dictators (Peron, Perez Jimenez, and Batista) removed a total of \$1.15 billion from their countries." (J.S.Nye, "Corruption and Political Development: A Cost-Benefit Analysis", in Heidenheimer, *op.cit.*, p. 570.)

of discouraging foreign capital. It may be that some sources of capital would be actually attracted by the prospect of being able to circumvent existing channels by the employment of informal and extra-institutional procedures. It seems much more likely, however, that the vast majority of potential investors would be strongly deterred by an economic milieu in which a variable as unpredictable and erratic as corruption plays such an important role. It is difficult not to agree with McMullan's summation:

Corruption adds an incalculable hazard to the normal thickets of bureaucratic procedure.... Investors and entrepreneurs are dismayed and frustrated, and may find that the unofficial cost of starting an enterprise is too great for it to be profitable.²⁸

It may be possible to question the supposedly adverse effects of corruption on day to day efficiency and political stability. It is much more difficult to conceive of any positive role for corruption in goal-fixing and long-range planning. Myrdal is correct when he says:

Corruption introduces an element of irrationality in plan fulfilment by influencing the actual course of development in a way that is contrary to the plan or, if such influence is foreseen, by limiting the horizon of the plan.²⁹

Possibly even more important than its hindrance to planning

28. McMullan, *op.cit.*, p. 182.

29. "Corruption: Its Causes and Effects", *op.cit.*, p. 540. Or, as *The Economist* put it in more specific terms:
 ... whatever appearances may suggest, graft beyond a certain point really does become incompatible with efficiency. Where money or wire-pulling decides promotion and patient merit is denied advancement, trains really do not run to time, contracts go to the wrong contractor, research produces no discoveries, plans are not fulfilled.
 (The Economist, "Towards a Grammar of Graft", in Heidenheimer, *op.cit.*, p. 490.)

are the immeasurable psychological effects of corruption in a developing country. Herein lies what is probably the major weakness in cost/benefit analysis of corruption. By their intangible nature, these psychological consequences defy meaningful quantification. As they cannot be realistically reduced to figures, it is only possible for each observer to account for their importance in accordance with his own subjective interpretation of a given social climate. Possibly for this reason, most of the more challenging cost/benefit analyses of corruption in developing countries are confined to economic development, in which sector the problem as here formulated is less urgent. Nathaniel Leff, for example, in considering the effects of this psychological by-product of corruption on economic development, is able to discount its influence³⁰ with considerably more confidence than would have been possible had his study included other aspects of nation-building (e.g., political development).

To examine the psychological effects of corruption on political

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30. Nathaniel H. Leff, "Economic Development Through Bureaucratic Corruption", in Heidenheimer, *op.cit.*, pp. 517-518. Leff cites a number of arguments in support of his stance: (1) that disillusionment, insofar as it "is engendered among the lower social orders", will have little effect on development, for these "lower orders" do not normally instigate economic development anyway. (The difficulty with this argument is that it rests on the assumption that disillusionment sets in among the "lower social orders" *as such* because of the activities of the "higher social orders" *as such*. Yet it is obviously inaccurate to portray the "higher orders" acting as a single-minded entity where corruption is concerned. As Wraith and Simpkins point out [*op.cit.*, p.11.], many members of the higher orders prefer not to indulge in corruption, and they are also disillusioned and frustrated.) (2) that the cynicism caused by corruption may result in "increased self-seeking in the rest of the community", which could act "as a solvent on traditional inhibitions", leading to "new ambitions". (3) that "this argument [i.e., that cynicism rising from corruption acts as a break on development] also exaggerates the extent to which economic growth depends on a popular rallying-around rather than on many individual selfish activities."

development, let us return for the moment to the vexed question of the relationship between corruption and political instability. Earlier it was remarked that the moralist assumption that corruption is a major cause of political instability in developing countries is probably erroneous - because it does not square with the empirical evidence of the United States during the age of machine politics, and because the assumption that the former causes the latter when corruption and political instability occur in conjunction (as they frequently do), is to ignore the equally probable corollary that corruption exists because of political instability rather than vice versa. This said, however, it must be acknowledged that whichever is the prime mover of the other (assuming a causal relationship of some sort does exist between the two), corruption and political instability, where they exist simultaneously, are likely to mutually buttress and reinforce each other. In some conditions the opposite may occur, and corruption may then actually work towards the alleviation of instability, as it apparently did during the machine age of American politics. J.S. Nye, in his excellent article, also indicates possible exceptions to the general rule as stated above. He writes:

Corruption may help overcome divisions in a ruling elite that might otherwise result in destructive conflict.

and it may also:

... help to ease the transition from traditional life to modern....The vast gap between literate official and illiterate peasant ... may be bridged if the peasant approaches the official bearing traditional gifts or their (marginally corrupt) money equivalent.³¹

On the other hand, as Nye correctly points out:

31. Nye, *op.cit.*, p.568.

What is integrative for one group may be disintegrative for another ... for 'modern' groups such as students and middle classes (who have profited from achievement and universalism) the absence of honesty may destroy the legitimacy of the system.³²

This sort of interpretation - one which, in Nye's words, places "great faith in ideal incentives"³³ - may be open to criticism. Yet even authors who place a lower valuation on the role of ideal incentives are not likely to entirely discount the arguments of Myrdal and Wraith and Simpkins on this score.³⁴ It is safe to assume then, that corruption is likely to have certain psychological consequences in developing countries, and that disputation concerning the importance of these consequences can only centre around the question of degree. The effect of such cynicism on development is not difficult to determine. In general it will be a major impediment to the creation of a positive national identity - widespread cynicism with political leadership will rapidly broaden to include indifference

32. *ibid.*, p.569. Myrdal describes how this process occurs:
If corruption is taken for granted, resentment amounts essentially to envy of those who have opportunities for private gain by dishonest dealings. Viewed from another angle, these beliefs about corruptibility, especially the belief that known offenders can continue their corrupt practices with little risk of punishment, are apt to reinforce the conviction that this type of cynical asocial behavior is widely practiced. The folklore of corruption then becomes in itself damaging.

("Corruption as Hindrance to Modernization in South Asia", *op.cit.*, p.232.)

33. Nye, *op.cit.*, p. 569.

34. Nye cites (p.569) the example of J. David Greenstone, who [in his article "Corruption and Self Interest in Kampala and Nairobi", *Comparative Studies in Society and History*, Vol.8 (1966), No.2, pp. 199-210] notes that "patronage and corruption was one factor contributing to an initial decline in governmental capacity in East Africa", even if "corrupt material incentives" did "provide the glue for reassembling sufficient power to govern."

towards institutions and national symbols.³⁵ In terms of day to day stability the situation is ripe for coup and counter-coup,³⁶ as those who hold political power, unbacked as they are by a positive, broadly-based nationalism supporting and legitimizing their leadership, are vulnerable to challenge from dissident members of the elite (or, more probably, from competing elites).

In general then, the contending forces in the debate over the role of corruption in development have shared the honours, to no-one's lasting credit. In theory the moralists, committed by their approach to an inflexible position, are almost certainly wrong, as empirical analyses of the American political machine strongly indicate that corruption played a positive role in at least this instance of development. In practice the effects of corruption are as likely to be dysfunctional as functional, a conclusion not reached by most functionalists who have tended to give too much credit to corruption's positive aspects. This may possibly be the result of over-reaction

35. Even if Leff is correct then, when he argues that increased cynicism caused by corruption (and note that Leff does acknowledge the existence of such cynicism) may ultimately assist *economic* development, he has only presented part of the story. The inadequacies of a cost/benefit analysis such as Leff's, which only considers the effects of corruption on economic development, as against a cost/benefit analysis such as Nye's, which endeavours to evaluate the effects of corruption on society in toto (i.e., some attempt has been made to assess the "unquantifiable") are thus clearly revealed. By confining his analysis to only one aspect of national development, Leff presents an unduly favourable account of the value of corruption, even if he is accurate within the bounds imposed by the restricted scope of his study.

36. In the following chapter a major qualification will be added to this argument - to wit, that chronic cynicism is unlikely to have its base entirely in corruption. Indeed, placed in context with other causes of political cynicism, it will be seen that in general the importance of corruption will be relatively unimportant. The argument as expounded here nonetheless holds good. Rampant cynicism is a major factor in political disintegration and corruption does play some contributory role in this regard. As stated, the real problem is one of determining degree.

against the inflexibility of their moralist opponents, though a more important contributing factor is likely to be the functionalist obsession with quantifiable data to the exclusion of less tangible though no less important considerations.

Corruption as a Market-Regulatory Mechanism

It has been stated above that to examine corruption for its specifically economic consequences is to provide a distorted assessment of its worth to society on balance. For this reason, some reservations must be held concerning the value of analyses which fit into this the second of Heidenheimer's categories, particularly if the analyst casts judgement on the overall worth (or otherwise) of corruption to society on the basis of his findings, which most tend to do.³⁷ These reservations stated, however, such studies are not without merit as long as too much is not claimed by the results so obtained.

Those who see a positive role for corruption as a market-regulatory mechanism generally concur in regarding the private sector in developing countries as a more efficient agent of modernization than the government sector.³⁸ They claim that as a general rule corruption assists economic development if it provides a means whereby private innovators may circumvent the stifling hand of cumbersome state bureaucracies, thus providing a more efficient allocation of

37. See the final paragraph of V.O. Key jr., "The Techniques of Political Graft", in Heidenheimer, *op.cit.*, p.53; and Leff, *op.cit.*, pp. 519-520.

38. For more detailed examination of these views, particularly those held by Leff, Bayley and Scott in this regard, see Heidenheimer, *op.cit.*, pp. 481-482.

scarce resources. "In short," says Abueva, "nepotism and spoils may very well be the potent stimuli needed by a powerful, rigid, unrealistic, outmoded, unresponsive, and irresponsible bureaucracy."³⁹

The most widely studied of these attempts to short-circuit established bureaucratic procedures is the practice known variously as "baksheesh", "speed money", "tea money", or (in Africa) "dash" - the payment of money (or some equivalent) to civil servants to speed the workings of the decision-making apparatus. Monteiro, paraphrasing the Santhanam Committee report, describes "speed money" thus:

... a fairly common type of corrupt practice particularly in matters relating to the grant of licences and permits. Very often the bribe giver does not wish to get anything done unlawfully, but just wants to speed up the movement of files and communications from department to department. Certain sections of the staff have got into the habit of not doing anything in the matter till they are suitably rewarded.⁴⁰

Writers of the moralist school have fastened on the phenomenon of "speed money" as a major example of how corruption acts as a barrier to administrative efficiency even when it is expressly aimed at creating greater efficiency. In reaching this conclusion, the moralist draws very heavily on the evidence of the Santhanam Committee report:

It was the unanimous opinion of all witnesses who appeared before us, that administrative delays are one of the major causes of corruption. We agree with this view. We have no doubt that quite often delay is deliberately contrived so as to obtain some kind of illicit gratification,⁴¹

39. Jose Veloso Abueva, "The Contributions of Nepotism, Spoils, and Graft to Political Development", in Heidenheimer, *op.cit.*, p. 537.

40. Monteiro, *op.cit.*, p. 32.

41. Santhanam Committee Report, p.44, as quoted by Myrdal in "Corruption: Its Causes and Effects, *op.cit.*, p. 541.

and elsewhere.

It was stated by a Secretary that even after an order had been passed, the fact of the passing of such order is communicated to the person concerned and the order itself is kept back till the unfortunate applicant has paid appropriate gratification to the subordinate concerned. Besides being a most objectionable corrupt practice, this custom of speed money has become one of the most serious causes of delay and inefficiency.⁴²

On the basis of this evidence most moralists are content to rest, believing their point well made. "The popular notion, occasionally expressed by Western students of conditions in South Asia, that corruption is a means of speeding up cumbersome administrative procedures, is palpably wrong," writes Myrdal.⁴³ But is it? It is submitted here that it is not, for the moralists have overlooked one important detail - administrative inefficiency *pre-dates* the corrupt act: an individual (or group) initially has recourse to corruption as a possible means of extracting scarce licences and services which are not readily forthcoming from established administrative procedures. Now it may be that these informal procedures, designed initially to combat inefficiency, may lead to even greater inefficiency, as does "speed money" according to the Santhanam Committee. But "speed money" is only one instance of extra-institutional response to institutional inefficiency. To deduce from the evidence of one authority's findings concerning one particular practice that corruption can never aid efficiency by cutting red-tape to make available scarce administrative resources is to arrive at a highly questionable conclusion.

42. Santhanam Committee Report, pp. 9-10, quoted by *ibid.*, p. 541.

43. "Corruption: Its Causes and Effects", *op.cit.*, p. 541.

It is difficult, in fact, to conceive of any generally operative law which might explain why all corrupt acts arising in response to bureaucratic inefficiency will necessarily lead to even greater inefficiency. The success or otherwise of a corrupt practice in circumventing bureaucratic inefficiency is surely a matter of hit-or-miss; of trial-and-error. Efficiency will be aided or impeded according to the suitability of the response in the prevailing circumstances. If it is inappropriate, and inefficiency remains rampant (perhaps becoming even more pronounced), it is likely that a further response will be devised in an attempt to achieve a more satisfactory level of efficiency. If bribery fails to gain access to desired resources, for example, extortion may be attempted. The claim that corruption aimed at reducing inefficiency will only cause greater inefficiency would therefore seem to be groundless. Those forms of corruption which are most persistent and widespread will in general be those which prove more efficient allocators of scarce goods and services than are formal institutional channels.

This is not to fly in the face of the Santhanam findings concerning the relationship between "speed money" and inefficiency. Obviously if a corrupt practice aimed at speeding or circumventing administrative procedures eventually comes to benefit only the corrupted (instead of both corrupted and corruptor), those beneficiaries will have a vested interest in maintaining that practice in existence.⁴⁴ To an extent then, the situation as described in the above

44. It will also be permitted to remain for at least as long as the corruptors continue to feel that the practice is still in their best interests, even when it has actually ceased to be. This is presumably the case with "speed money". As many academics assumed its functionality prior to the Santhanam Committee report (and many probably still do) it is a fair bet that its practitioners (or many of them) feel similarly.

paragraph is rather too simplified. In the case of "speed money" for example, it has clearly been to the advantage of the corrupted to retain the practice. Moreover, where the corrupted is in a position to keep a practice in existence with or without the consent of the original corruptor, as the Indian civil servant who exacts "speed money" is in a position to do, it may be presumed that the corrupt practice will be continued indefinitely (short of its elimination by sanctions imposed from above).

There has, however, been a subtle shift in the motivation which sustains the corrupt action. It may still be termed a "market-regulatory mechanism". But no longer is it aimed primarily at securing a more efficient regulation of that market. It is not surprising therefore, that the Santhanam Committee should have found that "speed money" did not lead to greater administrative efficiency - for such is no longer its aim.

It can be seen then, that the moralist analysis of the role of corruption in market-regulation contains certain flaws. It must not be assumed, however, that the functionalist is always correct when he points to the existence of a corrupt practice as evidence of how corruption assists the working of the market by freeing resources otherwise hidebound by cumbersome administrative structures. As has been pointed out, the mere existence of a corrupt practice with an identifiable market-regulatory intention may be indicative of existing inefficiency, but is not, in itself, a sufficient indicator of whether the future trend will be towards a greater or lesser degree of efficiency.⁴⁵ The success of a corrupt practice in

45. Thus one cannot agree with Professor Alatas, who states:
The inability of an administration to perform efficiently,
in the face of an increasing number of rules and regulations,
(contd.)

realizing its aim will depend on its quality - its suitability for a given environment. To a large extent the functionalist has fallen into the same trap as the moralist - whereas the moralist equates the mere existence of corrupt practices with administrative inefficiency, the functionalist has tended to see the existence *per se* of corrupt practices in situations of administrative inefficiency as evidence of the positive contribution of corruption in market-regulation. Moreover, as these corrupt practices are likely to be spontaneous and ad hoc by nature, rather than systematically evaluated and based, it seems reasonable to expect a large percentage (perhaps even a majority) of corrupt responses to market inefficiency to fail in their intent, and to perhaps even aggravate the existing inefficient situation. Once again it would seem, reality must be looked for in the middle ground between the moralist and functionalist extremes.

Corruption as a Negative Good

Proponents of this approach to corruption believe, according to Heidenheimer, that corruption fulfils "a useful function as the least of the evils that may become prevalent in political systems during periods characterized by political degeneration and the decay of political institutions".⁴⁶ Whether this position merits identification as a "distinct conceptual framework" seems rather doubtful however. In the first instance, though Heidenheimer speaks of "writers" of this persuasion, he mentions specifically only one ("their

is partly contributed to by corruption, while the administrative lag in performance contributes to the corruption.

[Syed Hussein Alatas, *The Sociology of Corruption* (Singapore: 1968), p.46.]

46. Heidenheimer, *op.cit.*, p. 481.

outstanding theorist"⁴⁷) - Samuel Huntington. Not only is one hard put to find any other writer who would fit into this category along with Huntington,⁴⁸ but a closer inspection of Huntington's work would seem to place him firmly within the bounds of Heidenheimer's first functional category - those who "perceive corruption as fulfilling positive functions, particularly with respect to social integration".⁴⁹

Two aspects of Huntington's work can be identified as the possible underlying causes of Heidenheimer's fallacious categorization of it as embodying a distinct conceptual framework:- (1) There is in Huntington's work an implicit antipathy towards corruption which is largely absent from most functional works, stemming in the main from his recognition that corruption is a symptom of deeper political ailment: "Corruption," he says, "is, of course, one measure of the absence of effective political institutionalization".⁵⁰ (2) Huntington's functional approach does not lead to as favourable an assessment of the role of corruption in development as have most functionalist analyses.⁵¹ Corruption certainly has its positive aspects according to Huntington:

... Corruption provides immediate, specific, and concrete benefits to groups which might otherwise be thoroughly alienated from society⁵²this pattern of corruption may directly

47. *ibid.*, p. 481.

48. With the possible exception of Herbert H. Werlin.

49. *ibid.*, p.480.

50. Huntington, *op.cit.*, p.59.

51. Though his stance is still considerably divergent from that of Myrdal, who, it was acknowledged, may be classed as a functionalist whose functional approach has taken him to typical moralist conclusions.

52. Huntington, *op.cit.*, p.64.

enhance the stability of the political system⁵³ corruption produced by the expansion of governmental regulation may help stimulate economic development. Corruption may be one way of surmounting traditional laws or bureaucratic regulations which hamper economic expansion⁵⁴ corruption can contribute to political development by helping to strengthen political parties⁵⁵ insofar as the governmental bureaucracy is corrupted in the interests of the political parties, political development may be helped rather than hindered⁵⁶ a society which is relatively uncorrupt... may find a certain amount of corruption a welcome lubricant easing the path to modernization.⁵⁷

But Huntington also sees a substantial dysfunctional side to corruption. Concerning the last of the above quotations:

A society in which corruption is already pervasive ... is unlikely to be improved by more corruption.⁵⁸

Similarly:

Corruption naturally tends to weaken or to perpetuate the weakness of the government bureaucracy. In this respect, it is incompatible with political development,⁵⁹

while:

The initial exposure to modernization tends to give rise to unreasonable puritanical standards This escalation in values leads to a denial and rejection of the bargaining and compromise essential to politics and promotes the identification of politics with corruption.⁶⁰

There is one other possible reason for Heidenheimer's separate classification of Huntington. Heidenheimer uses the word "functionalist" to denote a certain *attitude* towards corruption - the attitude

53. *ibid.*, p.68.

54. *ibid.*, p.68.

55. *ibid.*, p.69.

56. *ibid.*, p.69.

57. *ibid.*, p.69.

58. *ibid.*, p.69.

59. *ibid.*, p.69.

60. *ibid.*, p.62.

that corruption can be a beneficial political activity⁶¹ - rather than as a particular *approach* to the analysis of corruption - the approach which examines the social role of corrupt practices rather than their standing in ethics. His definition of "functional" therefore differs quite significantly from that which is here preferred.⁶² While acknowledging Heidenheimer's right to endow his terminology with his own meanings, the present author would nevertheless champion the merits of his own definition, which, it is contended, uses "functional" in a way more closely approximating the meaning usually bestowed on "functional" elsewhere in the discipline of political science. Even within the terms of Heidenheimer's definition, however, Huntington seems to fit quite neatly into his first category, as on sum, Huntington seems to see the dysfunctional side of corruption as probably outweighed by its functional role.

Huntington's work then, is challenging and original, but it does not take place within a "distinct conceptual framework". Certainly the moralist/functionalist debate does not take on a new dimension in the context of Huntington's work - critical moralist responses to Huntington follow the same lines as those already reviewed in consideration of Heidenheimer's first category, and need not be re-iterated. Huntington does introduce one interesting new element

61. See Heidenheimer, *op.cit.*, p. 480 ff., or the extracts quoted at footnotes 10 and 47 in this chapter.

62. Besides Myrdal, who has already been discussed in connection with this problem, Herbert H. Werlin is another whose *approach* is that of a functionalist, though his conclusions are more typical of those of the moralist tradition, in that he also sees political corruption as a counter-productive activity, at least within the context of emerging nations. [See Herbert H. Werlin, "The Consequences of Corruption: The Ghanaian Experience", *Political Science Quarterly*, Vol.88 (1973), No.1, pp. 71-85.] I would still classify Werlin as a functionalist, though Heidenheimer probably would not.

into the debate, however, which might profitably be here considered. It concerns the ideas embodied in the last of the above quotations.

Functionalists are frequently charged with exacerbating the situation by portraying corruption in such favourable terms. Huntington flings the same accusation at the moralists. He claims that "the modernizing zealot" imbued with the ideals of "honesty, probity, universalism and merit" challenges the autonomy of politics by failing to successfully distinguish between legitimate political action and illegitimate political action:

To the modernizing zealot a politician's promise to build irrigation ditches for farmers in a village if he is elected seems to be just as corrupt as an offer to pay each villager for his vote before the election.⁶³

Insofar as both moralist and functionalist tend to fashion debate in terms both over-simplified and extreme, and given the very existence of two apparently irreconcilable schools of thought concerning corruption, neither is likely to contribute significantly to any decrease in the volume of corruption, whether for good or ill - such could only be attained by the achievement of some degree of consensus concerning the ethical standing and functional worth of corrupt practices.

Huntington's work contains one other important theme which so far has been touched upon only briefly - the relationship between corruption and violence, and between corruption and political disintegration. This particular functional problem - broadened to incorporate the effect of corruption on abrupt political change - would seem to be sufficiently important to be devoted a chapter in its own right. It is to this we now turn.

63. Huntington, *op.cit.*, p.62.

CHAPTER 6.

CORRUPTION AND REVOLUTION

A major finding of chapter 5 was the absence of any necessary relationship between corruption and political instability. Yet corruption is frequently cited as an important causal factor in political change at many levels - from the collapse of entire civilizations to the orderly replacement of a government by its parliamentary alternative. The next two chapters will explore the relationship between corruption and two possible forms of political change - revolutionary upheaval, which for the purpose of this exercise will be defined as any political change involving the use of force or threat of force to displace the existing authorities (thereby including coups d'état), and the replacement of one government by another through the constitutional machinery provided by a political system for just that purpose. It is within these two contexts that corruption is most frequently cited as an agent of political change.

The importance of corruption as a revolutionary catalyst has, on the surface, been well documented.¹ Yet it was noted in the

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1. (1) Assessing the possibility of further upheaval in the wake of the 1969 Nigerian Civil War, Colin Legum notes a "sense of crisis" with "three major causes". The first of these is "the widespread and growing corruption which feeds on the country's growing wealth as it moves into the top league of world oil producers ...", and which is seriously endangering the continued existence of Nigeria's political system. Unless rampant graft is curbed, predicts Legum, the situation "could become far more serious than even the Biafran War." (Colin Legum, "Corruption Feeds on Nigeria's Rising Wealth", syndicated article, *The Mercury*, February 25, 1972, p.4).

- (2) Of the 1949 Filipino elections, C. Valmorla wrote:
The streets of Cebu were bristling with guns and the
(contd.)

previous chapter that there is no simple black/white answer to the problem of the impact of corruption on political stability; that in a certain situation it may militate against instability, while under other circumstances its impact will be largely disintegrative. If these earlier findings are accurate, one would expect to find when considering the extremes of political instability that those who see corruption as totally dysfunctional have overstated their case, and that the role of corruption as a precipitator of sudden political upheaval is neither as clear-cut nor as universally consistent as would first appear. Is this the case?

The 1960s saw a large number of writings on political development and disintegration in Third World countries which attempted to account for the comparative political instability to be found in these polities. An exhaustive analysis of these works would seem to be

picture was practically the same in other parts of the country. Consequently, the bees, the birds and the trees voted. A province with only 60,000 registered voters accounted for more than 150,000 votes in favour of the administration candidate. Election frauds, terrorism and other forms of abuses aroused public indignation. An attempt was made to overthrow by force the corrupt and graft-ridden administration...

(C. Valmorin, *Manila Bulletin*, September 18, 1964. Quoted by Farwell, *op.cit.*, p. 77.)

(3) Of Indonesia, Benjamin Higgins writes: "The abortive 'civil war' of 1958 was in part a reaction by some government and military leaders to this recent growth of corruption"

[Benjamin Higgins, *Economic Development* (London: 1959), p.62.]

(4) Of Asia generally, Ian Thomson states:

... the moment political control was handed over to Asians the subtle voice of temptation began to whisper first faintly and then with more abandon, and Eastern wills began to weaken in the face of it. Temptation of this sort has led to unnumberable disasters. By-and-large it was corruption that discredited the Chiang Kai-shek regime in China latterly, and gave the Communists the excuse that they were 'cleaning up' the situation.

[Ian Thomson, *Changing Patterns in South Asia* (London: 1961), p. 22.]

beyond the scope of this particular project, though some useful insights into the role of corruption in these unstable systems may be gained from a brief look at selected authors.

David Apter, for example, suggests that governments typically take decisions at two levels - "stratification decisions ... through which governments make constant efforts to create conditions of greater social mobility, either within the prevailing rank or by some modification of the ranking system itself",² and "ideological decisions" whereby "governments generate greater authority than might be necessary to satisfy mobility needs".³ The significance of these two "sets of decisions" is explained thus:

The first set of decisions, concerning power and prestige (stratification), can be regarded as the rationalistic aspect of governmental decision-making. The second set of decisions (ideological) goes beyond the rational to a non-rational level. Any stable polity requires both.

If government is defined as the critically strategic unit of a system, then failures of government will imply failures of the entire system. To the extent that this relationship is valid, governments may fail if their decisions to change stratification are insufficient to maintain public loyalty to the regime or if the non-rational aspects of their authority are no longer perceived. The first kind of failure results from a denial of equity. The second results from political cynicism.⁴

Lucian Pye sees the seeds of instability as inherent in "the very process of political development and modernization"⁵:

Once people are exposed to the modern world they are compelled to see themselves and their government in a new light. Arrangements once accepted

2. David Apter, *The Politics of Modernization* (Chicago: 1967), p.227.

3. *ibid.*, p. 227.

4. *ibid.*, p. 227.

5. Lucian Pye, *Aspects of Political Development* (Boston:1966), p.127.

as the normal human condition become intolerable. New hopes arise, new opportunities are perceived, but when change does not bring improvements, the result is more than just widespread restlessness and frustration. There is also a sensed need for action. People want to find new bases of association and new channels for articulating and expressing their search for political identity.⁶

Other important factors according to Pye are the lack of legitimacy on the part of newly constituted orders of authority, and ideological conflict.⁷

Lucy Mair, speaking of instability in Africa, sees the perseverance of loyalties to national sub-systems ("micro-nationalism") as a chief source of violent conflict.⁸ A similar notion is expressed by Clifford Geertz. He notes the tension between an individual's

6. *ibid.*, p. 127.

7. He states:

The inevitable disruption of the established social order which is a part of the modernization process tends to weaken all forms of authority in transitional societies. Moreover, people in those societies have conflicting notions about what should be the functions and practices of government, and there is active competition, if not conflict, among the many aspiring leaders who seek to put their ideas into effect and to command the rewards of power. As a result, new governments seeking to express the nationalistic aspirations of their peoples often find they can command little authority.

In this situation it is not surprising that disorder and violence have often been endemic in many of the new states. The problem is further complicated by the great conflict of the era between communism and liberal democracy.

(*ibid.*, p.126.)

8. She writes:

... in one African country after another it has proved that the only interest that is common to all the inhabitants of a single colony is that which unites them in opposition to the colonial power. When the colony becomes a state its internal divisions appear or reappear. Each section believes that only one of its own members can be an adequate spokesman of its interests. Small units see themselves as permanent minorities condemned to perpetual neglect, and since every unit is a minority of the whole, any one can consider that any given measure discriminates against itself.

[Lucy Mair, *New Nations* (London: 1963), p.117.]

search for identity which is inextricably bound up with traditional reference points, and the concomitant desire for a "more effective political order, greater social justice, and beyond that of 'playing a part in the larger arena of world politics'; of 'exercising influence among the nations'." ⁹ He continues:

This tension takes a peculiarly severe and chronic form in the new states, both because of the great extent to which their peoples' sense of self remains bound up in the gross actualities of blood, race, language, locality, religion, or tradition, and because of the steadily accelerating importance in this century of the sovereign state as a positive instrument for the realization of collective aims.... To subordinate these specific and familiar identifications in favour of a generalized commitment to an over-arching and somewhat alien civil order is to risk a loss of definition as an autonomous person, either through absorption into a culturally undifferentiated mass or, what is even worse, through domination by some other rival ethnic, racial or linguistic community that is able to imbue that order with the temper of its own personality.¹⁰

These few extracts obviously do not do justice to the complex and far-ranging question of political stability or the factors which lead to disintegration. The causes of unrest are manifold and infinitely variable both within and between political systems. Yet these few quotations do serve to indicate that the causes of political unrest go far beyond considerations of the amount of graft which occurs under any particular regime. It will be noticed that none of the theorists quoted above grant even a passing mention to corruption, in this context at least. What, then, can be said about corruption and abrupt political change? Is there any relationship

9. Clifford Geertz, "Primordial Sentiments and Civil Politics in the New States", in Geertz (ed.), *Old Societies and New States* (New York: 1963), p.108.

10. *ibid.*, pp. 108-109.

between the two? While it is true that the requisites of political stability embodied in the views of the four theorists cited above do not constitute an exhaustive list of the factors accounting for political unrest, they nonetheless do cover those reasons most frequently forwarded in explanation of Third World instability, and it would seem useful to examine these views in turn in order to see how they might be relevant to the particular needs of this chapter.

In the first instance, it may be confidently asserted that where political unrest is a function of the phenomenon described by Mair and Geertz - that of alienated regional/tribal/religious/racial sub-systems which either wish to secede or to overthrow the system's existing regime - the existence of political corruption is not primarily relevant in the sense that it can be seen as a major *cause* of unrest, though it may, indeed is likely, to considerably feed the fires of ethnic hatred subsequently, particularly if corruption becomes a partisan weapon in inter-ethnic rivalry.

On the other hand it may be argued that a political system becomes an ideological battleground precisely because the legitimacy of the prevailing regime's ideology has been destroyed by the aura of corruption which surrounds it. The word "legitimacy" is all-important. Setting aside, for the moment, the question of the precise reasons for loss of legitimacy (or failure to establish same), it seems indisputable that it is to this phenomenon that Third World political unrest can ultimately be traced. Pye, as has been seen, places considerable importance upon it. It is also implicit in Apter's explanation: governments fail when "their decisions to change stratification are insufficient to maintain public loyalty

to the regime or if the non-rational aspects of their authority are no longer perceived" - in other words, they fail if they do not succeed in gaining acceptance as the political system's legitimate authority. The overriding importance of maintenance of legitimacy is also inherent in the passages quoted from Mair and Geertz - the central authority is regarded as legitimate to the extent that it can successfully wean allegiance away from traditional foci of loyalty.

Is there a relationship between corruption and loss of legitimacy? In the last chapter it was argued that a likely effect of widespread corruption would be an increase in political cynicism, and that such cynicism easily regresses into indifference and even antipathy towards not only the existing regime but also the political system itself. Under such circumstances it is very easy to see a clear causal thread which begins with rampant governmental corruption, leads in turn to loss of legitimacy, and finally culminates in political upheaval in the form of coups d'état or revolution. One who holds this view is Stanislaw Andreski who claims that:

... just as a body can tolerate a certain number of bacteria without suffering much harm, but succumbs to them once the white corpuscles can no longer keep them in check, so a society which can withstand sporadic graft suffers severe deformations once it becomes brazen and widespread.¹¹

Undoubtedly widespread corruption can be a factor in loss of legitimacy. It is, however, rather too easy to over-estimate its significance. The chicken-and-egg problem of corruption and political instability was discussed earlier and the conclusion was

11. Stanislaw Andreski, *Parasitism and Subversion* (London: 1966), p. 69.

reached that corruption was just as likely to be a consequence of political unrest as it was to be its cause. The same problem applies here at the extremes of political instability. We have already seen that there are many possible causes of loss of legitimacy, some of which are obviously more fundamentally important than corruption. The continuance of alternative (often competing) foci of loyalty is one such cause. Many observers would also agree with Pye that a close correlation exists between loss of legitimacy and the unfulfilled expectations of what was to be the post-colonial utopia. W.F. Wertheim has compared the relative impacts of corruption and discrepancy between expectation and reality on political disintegration. He concludes:

... the lack of stability of the new Asian regimes is due primarily, not to the frequency of corruption, but to the discrepancy between norm and reality - a permanent tension with a dysfunctional and disintegrating effect.¹²

Against such deep-seated contingencies, the political ethics of a particular regime would seem to be of secondary causal importance, and there is evidence to suggest that such surface phenomena as corruption may even be consequences rather than causes of loss of legitimacy in many instances. Huntington certainly believes this to be the case. He sees both political violence and corruption as symptoms (as distinct from causes) of loss of legitimacy,¹³ and holds that violence is a stronger indicator of loss of legitimacy than corruption. Indeed, corruption is not necessarily a dysfunctional phenomenon. He states:

12. Wertheim, *op.cit.*, p.129.

13. Huntington, *op.cit.*, pp. 63-64.

Both corruption and violence are illegitimate means of making demands upon the system, but corruption is also an illegitimate means of satisfying those demands. Violence is more often a symbolic gesture of protest which goes unrequited and is not designed to be requited. It is a symptom of more extreme alienation. He who corrupts a system's police officers is more likely to identify with the system than he who storms the system's police stations.¹⁴

On the basis of the analysis in the preceding chapter, one would be inclined to agree with Huntington. If, as it has been held in that chapter, the functionalist description of the positive role of political corruption in development is not always devoid of validity, it follows that, to the extent to which corruption does contribute to development, it acts to defuse potentially violent situations. The most forthright statement of the view that corruption may be a major contributing factor to regime survival is that of John Waterbury, who claims that corruption "may be seen as a planned, cultivated, and vital element in assuring the survival of a regime".¹⁵ This is not true of all political systems, admits Waterbury, but one in which it is the case is Morocco, where "the elements of corruption ... are the ingredients of regime survival and an essential source of its cohesion."¹⁶ Harvey Stockwin believes that this has also been the case in Thailand:

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14. *ibid.*, p.64. There is, of course, one very good reason why corruption should be *blamed* for much political violence. Corruption is an obvious focus of discontent on which journalists and other concerned individuals can fasten in order to explain the failure of a political system or regime on which many hopes had been pinned.
15. John Waterbury, "Endemic and Planned Corruption in a Monarchical Regime", *World Politics*, Vol. 25 (1973), No.4, p.534.
16. *ibid.*, p. 551.

While regimes in Thailand have often arisen out of the barrels of guns, they have as often been sustained through the rustle of a share portfolio, the clicking of an abacus, the negotiation of kickbacks and the enhancement of Swiss bank deposits.¹⁷

Corruption also serves as a convenient rhetorical whipping-stick for those committed to opposition to the existing set-up. Nettl compares denunciations of corruption in Third World countries with electoral propaganda in Western states. He says:

It may well be ... that the tendency in developing countries for those who have been overthrown in a coup to be accused *inter alia* of corruption is more an instance of imported Western polemical window-dressing which usually goes with electoral mobilization, than any genuine reflection on the legitimacy of previous rulers.¹⁸

In general then, one must be wary about ascribing too much importance to corruption as a cause of any particular regime's loss of legitimacy. It is not totally irrelevant to the process of political disintegration, but neither is it likely to be a major contributing factor (though conceivably there will be exceptions to this generalization - an important one is the previously-mentioned potentially destructive role which corruption may play in exacerbating, though not initiating, conflict between hostile ethnic groups¹⁹). The problem is complicated by the fact that it is only

17. Harvey Stockwin, "Corruption: The Unholy Gross", *Far Eastern Economic Review*, November 5, 1973, p. 45.

18. Nettl, *op.cit.*, p. 278.

19. Werlin states:

Although interethnic tensions is a problem faced by almost any country, it takes on an added dimension when competition for jobs is extreme, procedures for resolving disputes are inadequate, and institutions for ameliorating discontent are weak. Consequently, corruption often takes the form of ethnic discrimination.

(Werlin, *op.cit.*, p. 76.)

possible to theorize in very general terms about the relative importance of corruption as a factor in loss of legitimacy because its role in this connection will also be culturally variable.

Higgins makes the following contrast between corruption in the respective cultural contexts of the Philippines and Indonesia:

Corruption among government officials exists in both countries, but the quality is different. In Indonesia, large-scale corruption in high places began only in 1954 and was in the first instance a by-product of party politics. Moreover, the basic Indonesian attitude is that political corruption is sinful and should be punished.... Quite different is the Filipino attitude towards "anomalies", the well-known synonym for corruption in that country. Corruption in high places is more often for personal than for political purposes, and the ordinary Filipino seems to take it for granted that people in positions of power will use the power to line their own pockets. One feels that in the Philippines the sin is not in diverting public funds to your own bank account but in getting caught. Perhaps more important, Indonesian style corruption is less likely than Philippines style to direct public policy away from general ends toward personal goals.²⁰

In the final analysis then, it would seem that the relationship between corruption and political violence is not one which is readily amenable to grand cross-cultural theorizing - it must be finally determined by evaluation of the unique nature of corruption in any specific cultural context. As acknowledged earlier, this is not a task which can be undertaken with any precision or certainty.

20. Higgins, *op.cit.*, pp. 61-62.

CHAPTER 7.

"TURNING THE RASCALS OUT": ELECTORAL RESPONSES TO POLITICAL CORRUPTION

It is not only at the level of violent upheaval that corruption is held to be a prime factor in political change. It is also frequently cited as an important factor in the peaceful replacement of one government by another through the machinery provided by most liberal democracies for just such a purpose. According to democratic rhetoric, a concerned and aware electorate will "turn the rascals out", if rascals there be. Yet the impact of corruption on electoral behaviour is one of the most neglected areas of research into corruption,¹ and in the absence of any firm evidence in support of this maxim, it would be wise to treat any such assumption with at least a degree of scepticism. The problem is further complicated by the probability that electoral response to corruption will depend largely on the context of the particular political culture in which it occurs.

Though there is no conclusive evidence to support the view that corruption is generally not likely to affect adversely the electoral prospects of those involved, either in the United States or Australia, this proposition will nevertheless be tentatively advanced, and within this framework the general problem of electoral response to corruption will be examined. To assist this investigation recourse will be had to a 1971 survey of conceptions of and attitudes

1. Heidenheimer's anthology, for instance, does not carry one chapter on this topic.

towards corruption held by Tasmanians active in public life. The data from this survey is not presented en masse, but is used as relevant at various points through the next four chapters.

The most explicit statement of the impact of corruption on electoral fortunes in the United States is to be found in the work of Frank Kent. Kent, writing in the late 1920s, saw no inverse relationship between exposed corruption and continued political success. He saw in the political developments of the 1920s the demise of "the old idea that the general run of American voters ... are so inherently honest themselves that they spontaneously revolt against governmental and political corruption".² Nor did he merely hold that the old assumption that the rascals would be turned out as a matter of course was no longer valid - he asserted that its antithesis was now unquestionably the rule: "the great mass of the voters have no inherent or instinctive objection to corruption; ... they do not now expect or demand rigid honesty in public officials, party leaders or party candidates."³ Kent blamed economic well-being as the major cause of voter apathy towards corruption:

When times are good, work is plenty and wages high, they look upon corruption in public office with a curious degree of tolerance and complacency. Under such conditions they regard the charges of crookedness coming from the outs against the ins as the natural thing to be expected, as part of the game.⁴

As a broad generalization, Kent's explanation is probably not very wide of the mark. The concern of most voters in any political

2. Kent, *op.cit.*, p. 121.

3. *ibid.*, p. 121.

4. *ibid.*, pp. 122-123.

system is with their own material well-being. When one's lot in life is comfortable and secure, politics is likely to recede into the background as an activity of marginal importance to one's own personal affairs, and until such time as the Good Life is perceived to be again under threat, most citizens are not likely to be unduly stirred from their complacency by lesser political issues. Asked what effect she thought politics had on her everyday life, one woman respondent to a survey on political apathy stated: "Don't think it has any, to tell the truth.... I don't think politics or election results will or do affect my own life very much. Regardless of who is in power, I'll keep my job and my home."⁵ In this respect tolerance of corruption can be seen as one element in a broad overall pattern of political complacency.

Another factor which may make voters reluctant to register their discontent with "the rascals" at the polls is that the accuracy of charges made is often treated with a great deal of scepticism. "Charges of corruption," writes Kent, "are always discounted by the voters, rarely fully believed, always looked upon as part of the political game, never fully understood."⁶ Although Kent asserted this as a self-evident fact of American political life in the 1920s, a case can be tentatively made to suggest that the situation as outlined by him is likely to be generally operative. It is to be

5. Quoted by Morris Rosenberg, "Some Determinants of Political Apathy", in Eulau, Eldersveld and Janowitz (eds.), *Political Behavior: A Reader in Theory and Research*, (Glencoe, Ill.: 1956), p.167. The response of this woman, one of seventy respondents to a random sample exploratory study designed "to reveal the range and variation of factors which contribute to political apathy" (p.160) was by no means unique. Rosenberg quotes a number of similar replies.

6. Kent, *op.cit.*, p. 123.

expected, in the first instance, that each allegation of corruption will be greeted with a certain amount of that healthy scepticism which gives the accused the benefit of the doubt until proven otherwise. Yet there may also be a degree of more emotionally-based scepticism. For example, one will not like to believe accusations levelled against a public figure for whom one has voted in the past when any such acceptance involves the tacit admission that one's own political judgement is not all that it possibly should be. It is, moreover, all too easy to dismiss charges of corruption as "sour grapes" on the part of those whose political ambitions have been frustrated. At a more general level, allegations of widespread graft on the part of public figures may be seen as reflecting discredit on the political system itself, which one may patriotically view as the best of all possible systems. Charges of corruption may accordingly be seen as sinister attempts to discredit one's political system by its ideological opponents. Furthermore this feeling is not solely confined, as may be supposed, to those who might be designated as politically "primitive". Variations on the ideology and corruption theme may be found in the writings of academics and top policy makers. Herbert Emmerich writes:

The most serious danger of a wholesale castigation of the integrity of American democratic government at this stage of world history [1952] is the effect it will have on other countries. We cannot sell the extension of democratic government if we recklessly assert that its entire machinery is corrupt.⁷

Probably the major strength of Kent's discussion is that,

7. Herbert Emmerich, "A Scandal in Utopia", *Public Administration Review*, Vol.12 (1952), No.1, p.2.

unlike most of those contemporary theorists who were earlier designated as "absolutists" or "moralists" (according to context), he has not claimed that his observations are universally valid. He is writing in a particular cultural context - the United States in the 1920s - and he stresses that his conclusions should not be taken as necessarily operative beyond that context:

There may have been a time in the past when the voters placed probity in public office above every other quality and when the mere appearance of corrupt influences was fatal to a party's prospects, but it is doubtful, in spite of the fact that such has been the theory. There may come a time in the future when, regardless of all other issues and ideas, the people will not tolerate in politics or public life any party or any man with corrupt associations and contacts. But that time is not now...⁸

The period of American political history with which Kent is most concerned spans the administrations of Presidents Harding and Coolidge, now recognized as among the nation's most corrupt, which largely accounts for his extreme cynicism with regard to corruption in particular and his pessimistic interpretation of American political life in general. Is the United States of the 1970s any different in this respect from Kent's America of the 1920s?

Firstly, we might note at least three works in the intervening period, one of which suggests that Kent's observations may well be valid beyond the limits of his particular period, and two of which differ in important respects from Kent.⁹ Respondents to

8. Kent, *op.cit.*, p. 122.

9. It is also a moot point whether their validity might also pre-date the 1920s. The muckraking era was one in which political abuses were assailed by a relatively small number of inspired crusaders. Whether the phenomenon of the muck-raker was indicative of broadly held community attitudes must remain uncertain.

Robert Lane's study of the roots of American political ideology (undertaken in the early 1960s) reveal an absence of concern for questions of political ethics similar to that which Kent had earlier deplored. Lane reports:

The world is not seen through moral glasses; the criteria of "right" and "wrong", "good" and "bad" are not usually the first to be applied to a man, a program, a party.... Eastport¹⁰ judges public officials (except justices of the court) on instrumental grounds: is he doing what he was sent to do? Is he looking out for the interests of his constituency, his nation? ¹¹

Lane also identifies a factor which escaped Kent's notice, but which would mitigate very strongly against the turning out of rascals in the sense that a rascal is one who artfully and deliberately transgresses prevailing ethical norms in the expectation of avoiding detection, the men of Eastport generally did not believe that corrupt politicians were rascals:

... in Eastport there are almost no evil men; there are none who are wilfully hurtful, sadistic, immoral. In the place of evil, there is error, people who make mistakes in judgment, who are more selfish than they should be, less kind than they should be ...¹²

People are not evil then; they merely make "errors". This being the case, it is hard to blame corrupt politicians, for corruption is not the result of evil intent but mere unfortunate error, the source of which is to be found in a potent combination of factors such as human fallibility, the high temptation and opportunity which public life offers, and a belief "that the system encourages

10. Lane's findings are based on in-depth interviews with fifteen lower-income residents of Eastport, an Atlantic seaboard community.

11. Robert Lane, *Political Ideology: Why the Common Man Believes What He Does* (New York: 1962), p. 323.

12. *ibid.*, p. 324.

corruption, that somehow it is 'natural' to politics".¹³ With the focus of blame shifted from individual bad men to the nature of the "system", it is to be expected that a tolerance for political corruption, quite inimical to the sort of high-minded crusade for which the phrase "turn the rascals out" once served as a rallying cry, would develop. According to Lane this has indeed happened. Among the comments made by the subjects of his research were the following:

"If I went out to make an extra dollar..., they'd probably talk about me too" (Dempsey);
 "We are all subject [to temptation]" (Woodside),
 "In fact you can't blame them. Look, they're out to make money, as long as they figure, as long as they're not hurting anybody" (Sokolsky);
 "If they can get it, good luck to them..." (Dempsey); "I don't believe they're going to do anything to hurt the country" (Johnson).¹⁴

A second study of popular reaction to corruption which arrived at a quite different conclusion from those of Kent and Lane in at least one important respect was conducted in the wake of the Kefauver Hearings into charges of bribery and corruption in 1952. This study, by G.D. Wiebe, attempted to find out how 260 resident New Yorkers reacted to disclosures brought to light by the televised Hearings. A major finding was that "the Hearings were not received with apathy. During and immediately following the Hearings, there was nearly unanimous arousal",¹⁵ and of those "aroused", "Fifty-one per cent ... conveyed feelings of shock, anger, outrage, betrayal: for example, 'A rotten business', 'Terrifying, unbelievable',

13. *ibid.*, p. 335.

14. *ibid.*, pp. 335-336.

15. G.D. Wiebe, "Responses to the Televised Kefauver Hearings: Some Social Psychological Implications", in Katz, D., Cartwright, D., Eldersveld, S.J., and Lee, A.M. (eds.), *Public Opinion and Propaganda* (New York: 1954), p.616.

'I felt mad paying taxes for graft'",¹⁶ and a further 39% expressed "cautious satisfaction"¹⁷ that the Hearings had effectively exposed malpractices and "'that something was being done about it'",¹⁸ Findings such as these clearly differ from Kent's description of public reaction to corruption in the 20's as characterized by unmitigated apathy, and with the conclusions arrived at by Lane in the 60's that corruption was fatalistically tolerated as inherent in the "system" and of minor importance when compared with such considerations as whether public figures were effectively doing the job for which they had been elected.

At this point however, Wiebe's findings fall back into line with the situation as described by Kent. For while Wiebe reported "unanimous concern with a social problem", he also found that "when respondents were asked, and probed as to what they 'felt like' doing, only 25% of the responses appeared to qualify as 'problem-solving' in the sense that they might be expected to contribute to the solution of the problem."¹⁹ Moreover only 8% indicated that they felt like taking action at the polls, even less actually wrote or wired an elected representative about the matter, and the belief was widespread that what action was taken had been totally ineffective.²⁰ Wiebe's findings then, differ from the observations of Kent (who believed that people were largely indifferent to corruption) and Lane (who found a resigned acceptance of malpractice). His respondents were neither apathetic nor fatalistic - they were both

16. *ibid.*, p. 617.

17. *ibid.*, p. 617.

18. *ibid.*, p. 617.

19. *ibid.*, p. 616.

20. This includes the reaction of those whose "action" was to talk the matter over with family, friends, and colleagues (and which Wiebe did not include in the "problem-solving" category).

indignant and reform-oriented, but were unable to conceive of any practical activity which might help rectify the situation. They felt socially impotent.

In a study of public attitudes to corruption in an eastern industrial city, John Gardiner came to conclusions which are different again from those already cited. Gardiner's subjects did not exhibit the apathy which Kent noted in the 20s. On the contrary, they were "quite moralistic when confronted with clear cases of official malfeasance."²¹ Gardiner agreed with Lane that "most citizens ... expect that some city officials will always engage in corruption to some extent",²² but their reaction to corruption is not, as Lane suggested, one of fatalistic acceptance; nor is it one characterized by the enraged impotence which Wiebe found. Instead, suggested Gardiner, citizens can and do take action to "turn the rascals out":

It would seem that these official exposes precipitated "crisis" situations.... these exposes produced an "active sense of outrage", and the ensuing elections provided vehicles whereby the revitalized norms of morality could be expressed.²³

Gardiner claimed that on three occasions of "crisis" in the post-war years:

... voters have rejected mayoral candidates reputedly associated with the racketeers, and have endorsed reformers who promised to clean up the city. On each occasion, these departures from normal voting patterns followed condemnation of Wincanton corruption by outside agencies.²⁴

21. John A. Gardiner, "Public Attitudes Towards Gambling and Corruption", *Annals of the American Academy of Political and Social Science*, Vol. 374 (1967), p. 125.

22. *ibid.*, p. 131.

23. *ibid.*, pp. 132-133.

24. *ibid.*, p. 125. The "outside agencies" were "a Congressional committee in the early 1950s" - presumably the Kefauver Committee, the Organized Crime and Racketeering Section of the United States Department of Justice (in the early 60s), and consultants to the National Crime Commission (in 1967).

He also cited data from a 1966 survey to reinforce the evidence obtained from electoral analysis. For example, 47% of his survey sample disagreed with the statement: "It's all right for a city official to accept presents from companies so long as the taxpayers don't suffer", as against 36% who agreed and 17% who were undecided.²⁵ This finding is in stark contrast to the conclusions of Lane which were noted earlier, and the evidence of successful electoral action against wrong-doers also seems to be antithetical to Wiebe's finding of widespread social impotence in the face of a political phenomenon such as corruption.

The conflicting conclusions of these studies do little to clarify our expectations of what contemporary public reactions might be to exposures of official corruption. It may be that the differences between the above analyses are due to historical variations in attitude. It is also likely that concepts and attitudes will be geographically variable. As noted in chapter 4, within such a broad categorization as "western culture" there will be a wide range of national and intra-national diversity. In this context it is interesting to note Gardiner's account of how his "eastern industrial city" might be expected to deviate from any norm which could be established:

The high salience of corruption and reform in Wincanton politics - the frequency with which charges of corruption are levied against local officials both by outside agencies and by local opposition candidates (and their supporting newspapers) - both facilitates and complicates our attempt to identify general public attitudes from data gathered in Wincanton. Analysis is facilitated by the fact that the issues of corruption and organized crime have an immediate meaning to Wincanton residents - this mayor

25. *ibid.*, p. 128.

was shown to have taken that much; the dice game was next door to where I shopped; our city paid twice as much for parking meters because of kickbacks; and so forth. On the other hand, the high degree of exposure to rumors (and facts) of corruption ... has to a certain extent desensitized the citizenry to the point where new allegations of corruption frequently produce only boredom ... (hence) these twin limitations against generalizing too directly from Wincanton to the entire American population.²⁶

Other sources of differentiation are also conceivable, such as age and social class.²⁷

It is difficult then, to make general assertions on the basis of past analyses about how Americans are likely to react electorally to allegations of corruption today (or indeed at any time). The early 1970s have, however, provided an apparently unprecedented opportunity to judge the willingness of Americans to "turn the rascals out" by analysing popular reaction to the sensational Watergate revelations (and those related to them). What has this reaction been?²⁸

Initially, little credence appears to have been placed in the allegations. Allegations of improper practices on the part of President Nixon's campaign staff had received considerable publicity in the weeks prior to the 1972 presidential election. It was on June 17 -

26. *ibid.*, p. 125.

27. In this respect it is interesting to note that Lane's Eastport sample is heavily biased toward low income groups.

28. The following analysis draws heavily on data from public opinion polls, and concentrates on the twelve month period up until late January, 1974. It was during these twelve months that public interest in Watergate was at its most intense, a period during which the enormity of the allegations came to be fully appreciated for the first time, as the story unfolded in an episodic series of spectacular revelations. This is also the period in which, according to public opinion polls, President Nixon's approval rating nosedived just as spectacularly.

some five months before the election - that five employees of the Committee for the Re-election of the President were arrested breaking into Democratic headquarters in the Watergate building. Yet in that election the American people gave President Nixon a near-record electoral mandate, which suggests that Kent's observations on attitudes to corruption in the 1920s - that Americans are immediately suspicious of charges of corruption and are prepared to give the victim of the charge the benefit of the doubt, or, even, if they are convinced that the allegations are not entirely groundless, that the fact of corruption is not deemed sufficiently important to counteract other more vital political considerations - still hold good today.

The subsequent course of events does not seem to effectively challenge these observations. When the Watergate storm finally broke, enormous public interest was engendered. The pattern of events unfolded daily on live television of proceedings from the Senate Caucus Room. By the time President Nixon felt compelled to address the nation on the Watergate issue on August 15, 1973, his electoral standing, as revealed by opinion polls, was at an abysmal low. A Gallup poll published shortly before the August speech placed his popularity rating at 31% (a fall from 66% in late January when Nixon was riding the crest of the "war's end" wave), and an N.B.C. survey disclosed him running 51-49 behind George McGovern - the candidate Nixon so convincingly defeated in the November, 1972 election.²⁹ Even after the August 15 speech constituency dissatisfaction of Nixon's performance as President had risen to 36%,³⁰ but by late October it had again sunk to the depths, following Nixon's dismissal

29. Figures from *Newsweek*, August 27, 1973, pp. 24-25.

30. As reported in *Time*, September 3, p. 22.

of Special Watergate Prosecutor Cox. The subsequent failure of "Operation Candour" and the disclosure that a portion of the controversial White House tapes appeared to have been deliberately erased reduced his standing still further.³¹

The feeling was widespread then, that Nixon was personally implicated in the scandals which beset his Administration, and that he had deliberately misled the nation concerning the extent of his involvement therein.³² Yet most Americans showed a marked reluctance to take any step aimed at turning the "rascal" out. On August 27, 1973, *Time* pointed to what it called the "curious paradox" that "while 73% suspected him of complicity in the Watergate coverup, only 26% wanted him removed from office".³³

Three plausible explanations of this apparent paradox have been offered. One of these Nixon himself made much of in his August 15 speech: "We must not stay so mired in Watergate that we fail to respond to challenges of surpassing importance to America and the world. We cannot let an obsession with the past destroy our hopes for the future."³⁴ Mr. Nixon's lawyer, Charles Alan Wright, was even

31. The Harris poll taken between January 10 and 30, 1974, recorded Nixon's approval rating at 30%, while 68% rated him negatively. This was the lowest rating thus far recorded by Harris, though it was still above the low of 27% recorded earlier by Gallup.

32. A Gallup poll released in mid-June, 1973, reported that 8% of Americans believed that Nixon planned the Watergate bugging from the beginning, 28% believed that he did not plan the bugging but sanctioned it before it took place, and 31% believed that he found out about the bugging later, but tried to cover it up. Against this, 14% had no opinion, and only 19% believed that Nixon had no knowledge of the bugging and had spoken up as soon as he became aware of it. (figures as reported in *New York Times*, June 17, 1973, p.45.) In January, 1974, a Roper Poll showed that 79% of those surveyed believed Nixon to be guilty of one or more of the serious charges levelled against him (*The Mercury*, January 7, 1974, p.2).

33. *Time*, August 27, 1973, p. 21.

34. Taken from a tape of the speech.

more explicit. He said: "Getting to the truth of Watergate is a goal of great worth. But there may well be times when there are other national interests that are more important than the fullest administration of criminal justice."³⁵ Nixon and Wright were each appealing to that sentiment earlier noted as an important factor in defusing the political impact of charges of corruption - that corruption is not a sufficiently important consideration to outweigh other political issues. The force of such arguments is undoubtedly strong, and it shall be seen later that it is not confined to American reactions to Watergate. Many people believed that the President was personally implicated in the affair, but it seems probable that some of these people did not want the President impeached because there were vital problems of national and international importance in urgent need of presidential attention.

The second and possibly more important factor in the popular reluctance to turn the rascal out on this occasion was the belief that to do so would put such serious strain on the system that the risk should not be taken. To shatter the presidential mystique, it was argued, was to destroy one of the fundamental pillars of the American political system. In Stewart Alsop's words:

Since the Civil War, the genius of the system has lain in an instinctive, collective knowledge of when not to trespass too far, when to avoid the kind of ultimate struggle that could tear the system apart.... There is, by contrast, a fever that sometimes seizes a fight crowd when the knees of a punch-drunk fighter begin to wobble. The danger is that, when the punch-drunk President is brought down the Presidency itself will be brought down, its authority eroded,

35. Quoted by William V. Shannon in *New York Times Weekly Review*, August 26, 1973, p.7.

its defences damaged beyond repair.³⁶

An argument along similar lines could be made by those in favour of Nixon's resignation or impeachment - that *not* to take action was to pose a greater threat to the continued well-being of the system. Supreme Court Justice Harry Blackmun, addressing the American Bar Association on the dangers of allowing what he saw as the general decline in public ethics to go unchecked, stated the argument thus:

The "pall of Watergate" with all its revelations of misplaced loyalties, of strange measures of the ethical, of unusual doings in high places ... is upon us. The very glue of our ship of state seems about to become unstuck. There is a resultant fear of consequent grave damage to the democratic process of which we have been so proud, and in which we firmly believed and which we have proclaimed to the world.³⁷

Of these conflicting arguments, the former obviously carried more weight with more people. Those who believed that the President was involved personally in the Watergate cover-up nevertheless continued to hope that their long-standing faith in the Presidency might eventually be vindicated. *Time* reported the following reactions to the August 15 speech:

... tens of millions of Americans ... had not been sufficiently reassured to put their minds at rest. "I'd like to believe he's innocent," said Raven I. McDavid Jr., an English professor at the University of Chicago, "but he sure isn't giving me much opportunity". An industrial engineer from Holyoke, Mass., Joe Cahill, agreed: "You want to believe him, but you cannot".³⁸

If, as seems indisputable, large numbers of Americans were reluctant to have Nixon removed from office because they feared the

36. Stewart Alsop, "Presidency Itself in Danger Now", syndicated article in *The Age*, November 8, 1973, p. 8.

37. Quoted in *Time*, August 20, 1973, p. 21.

38. *ibid.*, August 27, 1973, p. 24.

adverse effects of such a blow on the entire political system, then the Watergate scandals would seem to be of little assistance in any attempt to make observations of general validity about the behaviour of an American electorate faced with political corruption. It may be possible to make broad statements about the reactions of Americans to presidential corruption, but one would be less justified in extending these remarks to less exalted political levels where there is no such phenomenon as the presidential mystique. The fact that the American people were largely reluctant to impeach Mr. Nixon by no means invalidates the findings of Wiebe or Gardiner.

Some observations can be safely made however.

Following the Cox dismissal it did seem for a time as if the people had finally decided that the President should be removed from office. In the wake of this act, and faced with Nixon's continued intransigence in the matter of the White House tapes, *Time* reflected that: "Perhaps irrevocably he seemed to have moved past the limit of what vast segments of the nation will tolerate in its President".³⁹ During the backlash against the dismissal of the Special Prosecutor, Democratic Senator Tunney stated that he had received 1,299 telegrams for impeachment and just one against, whilst Republican Senator Goldwater's tally was 279 to 6,⁴⁰ and even after the decision to release the tapes became public on October 24, Goldwater reported that "the ratio of protests was running 80 to 1 against Nixon".⁴¹ Indicative of the new mood was Republican Representative Stewart McKinney's reaction. He stated that:

39. *ibid.*, November 5, 1973, p. 21.

40. *ibid.*, p. 30.

41. *ibid.*, p. 34.

... a cloud hangs over the very beliefs that this building stands for. If we, as the representatives of the people, allow that cloud to remain, I seriously question the future of our nation as we love and know it.⁴²

At the more practical level of day to day government, the *New York Times*, in its widely publicized editorial of November 4, 1973, reached a similar conclusion:

... the public has lost confidence in the President's veracity and good faith. The record of his unconstitutional and illegal acts and of the scandal-ridden management of his Administration and his party is plain. In this context ... the nation has to ask: Can Mr. Nixon effectively govern during the remaining three years of his term?⁴³

Even at this stage however, the public clamour cannot really be interpreted as popular demand for the turning out of a "rascal". One point which is immediately obvious from the above quotation is that neither McKinney nor the *New York Times* based their desire to see action taken against Nixon on the fact of corruption per se. It is the perceived *effect* of this corruption - the threat posed to the general well-being of the American system according to McKinney, and the detrimental impact on effective government as foreseen by the *New York Times* - which stimulated the calls for action against the President, rather than anything inherent in the alleged corruption as such.

It should also be noted that demands for President Nixon's resignation or impeachment were stronger in Congress and among the media than among the population as a whole. Following the dismissal of Cox, the clamour within these institutions became overwhelming,

42. *ibid.*, p. 32.

43. *New York Times*, November 4, 1973, p. 16.

and came to include such long-standing supporters of the President as the *Detroit News* and Senator Goldwater. Yet Gallup reported early in November, that even though Nixon's approval rating was down to 27%,⁴⁴ 52% still believed that he should not resign or suffer impeachment, while only 35% favoured his removal. These figures lend some support to the view that a concern for public ethics is likely to be accorded a higher priority by those who are actually involved in public affairs - either as actors or commentators - than it is given by the bulk of the citizenry (probably because direct involvement is likely to make some consideration of the ethical issues at stake unavoidable). If it is to be expected then, that the impetus for turning the rascals out is likely to spring from the politically active stratum of society, the obvious discrepancy between the high level of support for Nixon's resignation or impeachment on the part of media and Congressmen, and the relatively low level of support among the population as a whole (as indicated by the opinion polls), is largely explained. It may be presumed that the impact of Watergate was such that had the President been required to go to the polls, it is quite possible that the people would have

44. Figures as reported in *The Age*, November 5, 1973, p.1. The circumstances under which the poll was conducted probably render this 27% approval rating inaccurate. Gallup reported that support for Nixon was running at 31% until the dismissal of Cox, by which time the poll was three-fourths concluded. After the dismissal, this figure dropped to 17%. It is likely, then, that Nixon's actual approval rating after Cox's dismissal was closer to 17% than the poll average of 27%. For this same reason the percentage of Americans who were opposed to Nixon's resignation or impeachment after his dismissal of Cox is also likely to be less than the 52% reported by Gallup, though the breakdown of figures before and after the Cox dismissal is not known in this case.

turned him out.⁴⁵ It may be argued then, that given the opportunity, the American people would take electoral action to turn a rascal out. Whether they would be willing to take any more positive action to effect this end is, however, debatable. In the case of Watergate a ready-made non-electoral means of removing Nixon from office existed. The fact that most Americans were reluctant to see this weapon used⁴⁶ seriously qualifies the circumstances under which "rascals" are likely to be "turned out".

There is one other possible explanation for the unwillingness of Americans to turn the rascal out - namely that they did not see the President as a rascal. It is possible that while they overwhelmingly believed that Nixon was involved in the Watergate cover-up, they did not see him as *guilty* of involvement therein. It may be that not only are "charges of corruption ... looked upon as part of

45. In fact, there is strong circumstantial evidence suggesting that this would have been the case. In the first four months of 1974 Democrats captured four supposedly safe Republican seats in Congressional by-elections. Each of these results could be interpreted as turning the rascal out by proxy. In the fourth of these elections, in Michigan, the Democrats succeeded in making Nixon the major election issue and Nixon had campaigned personally for the Republican candidate. It is also probable that Watergate was a factor in the disastrous losses suffered by the Republican Party in November 1974, some months after Nixon's resignation, and at a time when the former president's serious illness might have been expected to create some degree of anti-Watergate backlash. It is notable, for example, that among the Republican losers were four of the ten House Judiciary Committee members who had originally opposed impeachment.

46. It should be noted that as the episodic revelations of Watergate unfolded, most Americans became less reluctant to see impeachment used. By January, 1974, in the wake of disclosures that sections of the secret tapes had been deliberately erased, Roper was able to report that those opposed to impeachment (now 45%) only slightly outnumbered those who favoured its use (now 44%). (Figures as reprinted in *The Mercury*, January 7, 1974, p.2.)

the political game",⁴⁷ as Kent asserts, but that the fact of corruption itself is looked upon as a legitimate element of politics (in which case, in accordance with the conclusions of chapter 4, corruption can no longer be said to exist). The evidence for and against this possibility is very meagre indeed. However, one Gallup poll finding is interesting in this regard. In mid-June, 1973, Gallup reported⁴⁸ that 46% of Americans believed that the stuff of Watergate was "just politics" - the sort of thing that all people involved in politics, of all political persuasions, indulged in as a matter of course. In early April of the same year the figure had been 53%. Even allowing for a liberal margin of error, these figures do suggest that a substantial number of Americans believe that politics is a "dirty game" in which virtually anything goes. To talk of throwing rascals out is therefore ludicrous - they are all rascals to some extent, and no one of them really warrants turning out any more than the others.

Turning to Australia, one finds even less evidence on which to base a conclusion about the relationship between corruption and loss of electoral support. Much of the evidence which is presented here pertains specifically to Tasmania, the smallest of the six Australian states. Having abruptly passed from a consideration of the United

47. Kent, *op.cit.*, p. 123.

48. Figures from *New York Times*, June 17, 1973, p.45. There would seem to be some element of contradiction in these figures and the dramatic fall in Nixon's approval rating as revealed by other polls. It may be then, that the decline in Nixon's support was due to factors other than Watergate. Insofar as Watergate was a contributing factor to this loss of support, it may also be that it is less reflective of ethical censure than of the bungling of the Administration which allowed the affair to take on the proportions which it did.

States, one of the most complex of those relatively few political systems in which the people may cast electoral judgement on rascals if they so choose, to a consideration of Tasmania, one of the least complex of such systems, it seems appropriate to provide a few brief introductory remarks on the nature of the Tasmanian political system for the benefit of those who are unfamiliar with its workings.

The word "complex" in the above paragraph refers to the relative scope of the two systems, rather than to the degree of difficulty which observers might confront in attempting to divine the nature of these systems. The United States is a political system existing on an altogether grander scale than Tasmania, which has a population of only 390,413 (1971 census) and an abnormally high ratio of political representation per head of population (1 parliamentarian per 5,500 people, compared with a national ratio of 1 to 17,600⁴⁹). At state level Tasmanians elect a bicameral parliament. The Lower House (House of Assembly) uses a single transferable vote system of proportional representation, to elect 35 members, seven from each of five electorates. The powerful Upper House (Legislative Council) is composed of 19 members each elected from single-member constituencies. The Lilliputian nature of the Tasmanian political system has affected the character of Tasmanian politics in a number of predictable ways. Firstly, most observers have noted the highly personal nature of decision-making in Tasmania, with a concomitant tendency to disregard administrative protocol and established procedure. Policy-making tends to be an extremely pragmatic process, and it is hard to discern any ideological content in Tasmanian

49. Peter Boyce, "Tasmania", in John Rorke (ed.), *Politics at State Level - Australia* (Sydney: 1970), p. 80.

politics. The political system "Tasmania" tends to generate intense loyalty among Tasmanians, and there is deep suspicion of and hostility towards anything which can be construed as interference in Tasmanian affairs by sinister Canberra centralists. It is in this context that the following analysis must be seen.

Some of the data from the survey mentioned earlier in this chapter will be introduced here for consideration. A number of shortcomings qualify the value of this survey,⁵⁰ and though the results will still be used, not too much will be claimed for them. One question from the survey is relevant to our immediate purposes. In this instance the acknowledged shortcomings are aggravated by the fact that the question posed - "Would you vote for a member of parliament who had used his position for personal financial gain in a way of which you disapprove? - would be more suitably addressed to an ordinary voter sample⁵¹ than to those active in public affairs (which in this case included all Tasmanian parliamentarians at both state and federal level - that is, those who had successfully put their names forward *to be voted for*). The tabulated response to this question is set out in Table A. What light, if any, does it shed on the problem?

These figures indicate that a substantial minority of Tasmanians involved in public life would be willing under some circumstances to electorally assist a corrupt politician remain in office. Furthermore, had the question been put to a sample of Tasmanians who were not actively involved in politics (or public life generally), the

50. Refer to introductory remarks to the Appendix for a detailed discussion of these shortcomings.

51. An explanation of why no sample was taken of the attitudes of "average" citizens is to be found in the prefatory comments to the Appendix.

TABLE A. (n 91)

Question: Would you vote for a member of parliament who had used his position for personal financial gain in a way of which you disapprove?

Response:

- | | | |
|-------|---|--------|
| (i) | Yes. Considerations such as these are unimportant and irrelevant. | 0.00% |
| (ii) | Only if he had other redeeming features (e.g., energetic and hard-working on behalf of the people in his electorate, unafraid to speak his mind on controversial matters, etc.) | 29.67% |
| (iii) | Under no circumstances. | 62.64% |
| (iv) | No opinion. | 1.10% |
| (v) | Other* | 6.59% |

*In each case these respondents stressed that their answer was dependent on the gravity of the offence. If they regarded it as particularly grave, they would opt for (iii); if less serious, option (ii) would be chosen.

proportion of respondents opting for category (ii) would be likely to increase at the expense of category (iii), and one could even expect some respondents to opt for category (i). There are a number of reasons why this should be the case.

Firstly, the experience of a pilot survey conducted among workers and management at the Cascade Brewery in Hobart suggests that a large number of politically inactive Tasmanians experience considerable difficulty in comprehending the ethical niceties involved in questions of corruption. They are much more at home in those areas of politics which are amenable to ideological and economic stereotyping than in an area involving fine shades of morality which are not

easily reducible to simplified maxims.⁵² Moreover, as noted earlier, voters generally are more likely to react electorally to issues which have some obvious effect on their personal well-being. When one's own material fortunes are seen to be closely linked with the continuance in office of individuals whose ethics may be questionable one is likely to be somewhat reluctant to turn the rascals out.

Psephologists have suggested that the major determinant of party allegiance is the generalized impression most voters have of which political group most closely represents their particular economic interests. Should the representatives of a particular party be seen to be misusing their office for corrupt purposes, the supporters of that party would be confronted with the dilemma of throwing the rascals out and voting against their own perceived economic interests or with sanctioning corrupt practices while acting in their own best interests. Thus the question as posed in Table A has probably biased the response in favour of option (iii), for it fails to take account of this most important factor. This electoral conflict of interest was recognized by some survey respondents however. The notion that corruption should be tolerated if its elimination is likely to have adverse effects on other social desiderata is inherent in the following comment appended by a respondent: "A politician looking after himself may do less harm to the country than an incorruptible 'dogooder'. My vote would depend on who else is standing."

Whereas the average voter is not likely to take electoral action

52. This observation squares with Kent's claim that "charges of corruption are ... never fully understood" (see p.168) and with the observation of many Watergate commentators concerning public understanding of the issues there involved. A "top Administration official" commented, according to *Time*, that "Watergate is like a Russian novel. There are too many names. Nobody took any money and people didn't really understand it." (*Time*, August 20, 1973, p.21.)

against governmental corruption which bears no obvious relationship to his major political concern - gratification of personal economic needs - the person actively engaged in public affairs is more likely to show some positive concern, for a number of reasons. It has already been noted that the individual active in public affairs is more likely to spend a greater amount of time thinking about the nature of his role and the limitations it imposes on his behaviour than are outside individuals who have other roles with which to concern themselves. More specifically, considerations of status and prestige are likely to be important. Mention was made earlier of the nineteenth century civil service revolution, which saw the virtual abolition of the old corrupt practices and the inculcation of a new sense of public responsibility and professionalism. Within most public services today, breaches of established codes of ethics are regarded with particular distaste. It is significant also that the major impetus for reform came from within and was related to the desire for status and prestige commensurate to the importance of the work done. The prestigious professions have gone through similar revolutions which have culminated in the formulation of rigid standards of professional ethics. Politics lags far behind the civil service and the learned professions in this respect. Nonetheless it is reasonably certain that those who practice politics would very much like to live down their calling's stigma as a "dirty game". It is likely then, that instances of political corruption will be regarded with some seriousness by political actors concerned for the good name of their profession.

It seems reasonable to assume from the foregoing that the proportion of the Tasmanian public which is prepared to be electorally

tolerant of corrupt practices on the part of its elected representatives is larger than the 37% finding in Table A. Moreover, some empirical evidence can be evinced in support of this conclusion.

Since 1945, five major charges of corruption have been levelled at members of Tasmanian governments. The first of these occurred late in 1945 when a number of allegations were made regarding improper practices connected with the administration of the Tasmanian Forestry Department. It was alleged that certain sawmill proprietors had secured preferential treatment from the department by paying bribes to certain of its officers and to a former Minister of Forests, Thomas D'Alton. In 1946 a Royal Commission examined the allegations. Four counts of alleged bribery against the Minister were investigated, and the Commissioner, Judge Kirby of the New South Wales District Court,⁵³ found that the allegations were sustained on two of the four counts. At the time of the Royal Commission D'Alton was Australian High Commissioner to New Zealand. On his return to Tasmania he was acquitted of bribery charges and successfully sought Labor endorsement for the vacant Legislative Council seat of Gordon, to which he was elected on November 22, 1947, slightly more than eighteen months after the Royal Commission had found two of the charges of bribery against him to be sustained.

The 60%⁵⁴ of the vote which D'Alton obtained would have been convincing enough under ordinary circumstances. Yet he achieved this success in the face of a political tide which was running strongly

53. Later Sir Richard Kirby, president of the Commonwealth Arbitration Commission.

54. D'Alton polled 489 votes against a combined total of 330 for his two opponents. At this time the Legislative Council was elected on a restricted franchise, which explains the abnormally small size of the poll by most standards. The 819 valid votes cast constituted 59.44% of enrolled electors.

against the A.L.P. throughout Australia. The fear of communism and "creeping socialism" and dissatisfaction with post-war economic restrictions which were to topple a succession of A.L.P. governments at both state and federal level was already making its political presence felt. D'Alton was, moreover, successful in a by-election for a seat in a House which had been (and still is) traditionally a House of independents - Tasmanians have long shown extreme reluctance to elect candidates with party endorsement to their Upper House.⁵⁵ It is true that the electorate of Gordon has shown a greater penchant for electing endorsed A.L.P. candidates than have most Legislative Council electorates.⁵⁶ Nonetheless it is far from a safe Labor seat. When it was vacated in 1968 on D'Alton's death, the endorsed A.L.P. candidate was defeated by an independent (albeit one of known A.L.P. sympathies) who continues to hold the seat. Finally, D'Alton won the election comfortably despite the findings of a Royal Commission that he had, on two occasions, accepted bribes in connection with his earlier ministerial portfolio.⁵⁷

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55. At no stage during the period 1945 to 1973 have there been more than four A.L.P. members in the Legislative Council. At the time of D'Alton's election there was only one. A number of members over the years were known to have Liberal Party affiliations, but as the Liberal Party does not endorse candidates for Legislative Council elections these members were nominally independents.
56. D'Alton's predecessor, Mr. J. McDonald, held Gordon continuously for the A.L.P. from 1928 until his death in 1947. During that period he was up for election on four occasions, and was either unopposed or secured approximately 60% of the vote. D'Alton himself was unopposed on the three occasions when he faced re-election between 1947 and his death in 1968.
57. It is possible that some voters may have been persuaded to ignore this fact by an additional finding of the Commissioner - that although he (the Commissioner) was satisfied that D'Alton had accepted bribes on two of the four occasions he had been asked to investigate, there was nevertheless "no evidence from which it could be inferred that it had been a common practice on the part of Mr. D'Alton to accept bribes". [Forestry Administration: Second Report of Royal Commission: Parts III, IV, V, (contd.)]

It may be then, that "despite" is the wrong word. Perhaps his victory occurred, in part, *because of* the charges of corruption. Kent wrote of allegations of corruption:

... they are frequently the means of arousing public sympathy for the man attacked.... If he gets caught there is an instinctive sympathy for him. What the average voter thinks is that the others are slicker but not more honest and the denunciation of the "poor guy" who got caught does not do him any particular harm. On the contrary, he appeals to his constituents for a "vindication", talks about "the conspiracy to rob me of my good name" and gets re-elected by an increased majority.⁵⁸

Kent's excessive language may contain a sound point. Under some circumstances those accused of corruption may be able to use the accusation to their own advantage. This is precisely what President Nixon endeavoured to do during the Watergate affair, when he frequently attempted to portray himself as the victim of a ruthless campaign on the part of sections of the media, the aim of which, he claimed, was to secure the political demise of the nation's popularly elected leader. Nixon's attempt to stimulate public sympathy for his embattled Administration appears to have met with little success. It can hardly be said that D'Alton's candidature suffered from the revelations of corruption however, and it may well be that his electoral landslide was partly due to a tendency on the part of voters to sneakily sympathize with the political maverick who has gambled and lost.

VI, *Journals and Printed Papers of the Parliament of Tasmania*, Vol. CXXXV (1946), p.122.] It is also possible that some people may have been convinced of D'Alton's innocence of the charges by his acquittal in a court of law. Given that the trial findings were so totally at variance with the Commissioner's findings, however, it seems unlikely that many people would have been totally convinced thereby.

58. Kent, *op.cit.*, pp. 123-124.

The second major instance of alleged corruption concerned claims that a number of private road transport operators had paid the Premier, Robert Cosgrove, a large sum of money in periodic instalments, in return for not nationalising road transport services to the point where private operators would no longer be able to profitably compete. The money, it was alleged, was placed by Cosgrove in a secret parliamentary fund, separate and independent from normal A.L.P. funds. The disposal of this secret fund was at the Premier's complete discretion.

The affair ostensibly ended early in 1948 after Cosgrove had been found not guilty of criminal charges arising from the allegations, but the existence of non-audited secret party funds, with the obvious potential for misuse which such funds entail, remained very much an issue,⁵⁹ and became one of the major questions over which an election was fought some six months later. The Cosgrove Government went to the polls seeking to preserve its slender majority of one, and the Tasmanian press confidently predicted the Government's downfall. Yet, in the face of a continued Australia-wide decline in support for the A.L.P., in the face of obvious divisions which had appeared in the Government's ranks, and despite the cloud hanging over its financial procedures, the Government was returned with its majority of one.

The importance of the issue of the Government's probity to the election result is difficult to gauge. The Leader of the Opposition, Mr. Neil Campbell, made little play of this question at all.⁶⁰ Nor

59. Despite a caucus decision on February 25, 1948 to abolish the offending fund, a decision which appears not to have been implemented.

60. His election eve message, for example, as reported by *The Advocate*, August 20, 1948, p.1, makes no mention of the secret fund or any other matter which might have reflected adversely on the Government's integrity.

did the Government consider its integrity to be an election issue - for its part, the major issue was the proper role of the Legislative Council in the Tasmanian political system, as the Upper House had precipitated the election by refusing to grant Supply. Nonetheless, the Government's integrity was a very real election issue. Some Liberal Party candidates declared it to be the major issue of the election. According to *The Advocate*, Mr. J.R. Fidler informed an election meeting that:

Members of the Government and their supporters were cunningly continuing to sidestep the real issues of the election. He (i.e., Mr. Fidler) considered these were the standard of integrity in Parliament, the necessity for Royal Commissions into the activities of Ministers of the Crown, and the existence of a secret party fund to which large contributions had been made by gambling and other interests.⁶¹

Members of the Legislative Council also helped to make probity in government an election issue. Called upon to justify their action in bringing down the Government, several M.L.C.s referred to grave doubts which existed about the Government's integrity. The press, particularly the *Hobart Mercury* and the *Launceston Examiner*, also stressed the importance of honest government as a major factor to be considered in the election. In its polling day message, *The Examiner* gave as its opinion that doubts concerning the Government's integrity would be *the* election issue:

... the swinging voters, who decide elections, make no close study of the various issues argued by candidates during the campaign. Nor do they analyse in detail the record of the Government and keenly compare the legislative and administrative programmes submitted by the contending parties. They vote largely by instinct. And at critical

61. *The Advocate*, August 17, 1948, p.4.

times this instinct is nearly always sound. The instinctive feeling of the people at present is that the political atmosphere in Tasmania is murky and unhealthy and that the time has come to make a change -- to have a spring cleaning.⁶²

Public opinion columns in the three Tasmanian dailies also leave little doubt that governmental probity was an election issue. One correspondent wrote:

The issue of this election is not whether adult franchise is desirable for the Upper House, but the integrity of the Labor Government. It was reported in the "Advocate" (February 27) that Dr. Turnbull⁶³ believed members had lost faith in the Government; if the secret fund (why a secret fund?) had not been abolished he would have voted with the Opposition on the no-confidence motion.⁶⁴ In the face of these revelations why blame the Upper House? What kind of Upper House does Labor want? Seemingly one that will wink at questionable doings. The silly propaganda of adult franchise for the Upper House is mere piffle in regard to the present election ... the sins of the Labor Party are the real issue of this election,⁶⁵ and electors should bear this in mind on August 21.

Honesty in government may have been made an election issue then,

62. The *Examiner*, August 21, p.4. In Hobart, The *Mercury* similarly informed its readers:

Labor has not attempted to remove the grave reflections cast upon it. The secret fund remains a mystery. The Liberal Party has promised, above all, the highest standards of integrity and honesty in administration.

(The *Mercury*, August 21, p.4.)

63. At this time a dissident Government backbencher upon whose support the Government relied for its survival, and the price of whose support was (among other things) abolition of the secret party fund.

64. Moved and lost some five months previously, February 24, 1948.

65. Mr. A.B. Cross in The *Advocate*, August 16, 1948, p.4. Another wrote:

... I have never before read or heard of such political tripe as that used by Labor to cloud the issue. If Labor be returned after the royal commissions on forestry and the secret fund.... Labor would take it that electors endorsed these actions.

(Mr. Len Aylett, in The *Advocate*, August 17, 1948, p.4.)

but the outcome of the election suggests that it was not an issue which disposed large numbers of voters to vary their habitual electoral behaviour by voting against the A.L.P. Public opinion columns of the press at the time give some clue as to why this was so:

Rather too much notice is being taken of the vindictive type of political abuse which is being indulged in today.... I have often heard references ... to "Ministers involved in black market deals, etc." But they never produce proof I am opposed to any form of corrupt practice, but it is grossly unfair to reflect on the integrity of one's opponents without definite proof of such, when an open trial should be demanded. The public need to be warned of this type of propaganda. I have been in close contact with all Cabinet Ministers and many private Labor members, and know of no unsavory dealings in which they are supposed to be involved. The Labor Party is pledged to serve the people, and in spite of statements to the contrary, is conscientiously striving to make Tasmania the paradise of Australia.⁶⁶

According to another correspondent:

Altogether too much abuse is being indulged in, and whispered accusations of dishonesty are now the order of the day. A feeling of distrust in our administration is being deliberately inspired for political reasons.⁶⁷

It is notable that many of those factors which were cited earlier as possible explanations for voter unwillingness to register disapproval of corrupt practices at the polls are evident in the above two letters. There is the implication that allegations of dishonesty are less important than continued material prosperity ("The Labor Party ... is conscientiously striving to make Tasmania the paradise of Australia"). There is strong scepticism concerning the credibility of the accusations ("I ... know of no unsavory dealings in which they

66. Mr. S. Richardson in *The Advocate*, August 10, 1948, p.4.

67. Mr. G.B. O'Shannessey in *The Advocate*, August 13, 1948, p.4.

are supposed to be involved"), and a stated opinion that the charges are the malicious concoctions of political "outs" hoping to make cheap political capital therefrom ("... distrust ... is being deliberately inspired for political reasons"). There is also evidence of an innate caution which tends to give the accused the benefit of the doubt until otherwise proven ("I have often heard references ... but they never produce proof").

If these sentiments were reflective of a wider feeling in the electorate (and there is no reason to suspect otherwise), they would have played no small part in minimizing the effects of the cloud of suspicion hanging over the head of the Cosgrove Government. Other factors may also have been at work. The Premier had, after all, been acquitted of the charges (though doubts were expressed at the time about the circumstances of the acquittal). Moreover, Dr. Turnbull had extracted a caucus undertaking to abolish the secret fund. Given these facts, many electors may have considered the matter closed, and that the issue of secret party funds in particular and governmental probity in general was a distracting irrelevancy thrown into the election by an Opposition desirous of gaining political advantage thereby. One is inclined to agree with *The Mercury* which grudgingly conceded by way of epilogue:

The Government's shortcomings ... quite apart from any questions of integrity or capacity, might have been expected to provide ample justification for a change in administration. But the vote has shown that in the opinion of the largest single section of electors, representing about 50 p.c. of the state's adult citizens, these factors were not strong enough to justify a change. Obviously there were other considerations with outweighed them.⁶⁸

68. *The Mercury*, August 23, 1948, p. 4.

The third and fourth instances⁶⁹ of alleged corruption are less instructive and can be dealt with briefly. In May, 1958, Dr. R.J.D. Turnbull, then Treasurer and Minister of Health, was accused by one Mr. Fitzpatrick, who was attempting to secure a lottery licence, of asking for a "consideration" with respect to the licence. Dr. Turnbull vehemently denied the charge, claimed Mr. Fitzpatrick had tried to bribe him, and clashed violently with the Attorney-General, Mr. R.F. Fagan, when Mr. Fagan refused to lay any criminal charges or appoint a royal commission to investigate the allegations. When an indictment was eventually filed against Turnbull, the jury could not reach a verdict, necessitating a further trial, where he was subsequently acquitted. As he was finally acquitted, it would be most unfair to suggest that here was an instance of an electorate failing to turn a rascal out.⁷⁰ Nonetheless it is noteworthy that Dr. Turnbull certainly suffered no electoral ill-effects from the bribery allegations. After his acquittal he was temporarily returned to his two portfolios, but his persistently independent behaviour soon became too much for the Premier, Mr. E.E. Reece, who shortly thereafter

69. The electoral impact of the fifth alleged instance of corruption - that involving the payment of money to a Government member to bring down that Government - cannot be tested as no election followed the allegations.

70. It has been argued that the allegations might well have resulted in an electoral set-back for the A.L.P. had the episode unfolded differently. One observer wrote of the Legislative Council elections in May 1958:

The Leader of the Government in the Council, Mr. T.D'Alton, was returned unopposed in Gordon. Mrs. P. Benjamin held her Hobart seat, but Mrs. L. Grounds lost her Launceston seat to Mr. M. Fry.... the belief was widely held that, had Parliament met and the Turnbull affair appeared in the press before the Council elections, Labor might well have lost the Hobart seat also.

[W.A. Townsley, "Political Chronicle, January-June 1958: Tasmania", *Australian Journal of Politics and History*, Vol. 4 (1958), No.2, p. 263.]

dismissed Turnbull from his ministry. Turnbull was then suspended from membership of the A.L.P., stood for the House of Assembly as an independent,⁷¹ and scored an enormous personal triumph, topping the poll with more than double the quota needed to secure election.⁷² In 1961 he resigned his state seat to stand for the Senate, a seat in which he subsequently won and comfortably held until he retired in 1974.

The fourth major instance of alleged corruption concerns charges claiming a conspiracy had been entered into by officers of the British Tobacco Co. with a former Minister for Lands and Works, Mr. D.A. Cashion (at the time of the allegations a member of the Opposition) and a former Secretary for Lands, to obtain for British Tobacco a large section of land in northeastern Tasmania in contravention of the Crown Lands Act. Breaking the story to Parliament on September 14, 1971, the Premier, Mr. A. Bethune, stressed that no allegations of financial corruption were involved. The alleged transaction can best be described as "bureaucratic patronage"; it was held to be corrupt because it supposedly involved an attempt by senior officers of a government department to bestow favoured treatment on a major client by allowing that client to evade the provisions of the law. Criminal charges were laid but were never heard, giving rise to widespread speculation that the whole incident was merely a political stunt

71. This election was held just five months after his acquittal.

72. He secured 9,270 votes out of a possible 32,451. (It will be remembered that the Tasmanian House of Assembly has multi-member electorates and uses a proportional system based on a single transferable vote.)

designed to embarrass the Opposition.⁷³

In April, 1972, seven months after the original allegations had been made, Cashion narrowly failed to retain his House of Assembly seat, polling 2,384 primaries as against 3,450 in 1969. It is easier, however, to see Mr. Cashion as a victim of an obvious trend from older to younger candidates, which was one of the main features

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73. Having obtained access to a particularly forthright police report which provided the basis for the Attorney-General's prosecutions, the present author is convinced that this speculation is inaccurate. The report, headed *Crown Lands Conspiracy*, and signed by Inspector K.H. Viney, concludes:

We have no hesitation in stating that the revelations of this investigation disclose the perpetration of a major conspiracy by the persons whose names appear on the attached complaint; that to implement the conceived scheme further crimes and offences were committed; that the principals fully appreciate the illegality of what was proposed; and that the excuses provided by them disintegrate when examined. (p.29).

The "persons whose names appear on the attached complaint" included both the former Minister and the former Secretary for Lands, Mr. Frank Miles, concerning whose role in the alleged conspiracy the *Report* is particularly scathing:

Frank Miles was appointed Surveyor-General on 28th February, 1955, and Douglas Alfred Cashion was made Commissioner for Lands on the 26th August, 1958. Thus almost every impropriety touching Crown Lands, the subject of this investigation, occupied during their term of office, and with their apparent acquiescence. (p.28).

That the criminal proceedings were subsequently dropped may be attributed to an *Advice* sought by the Attorney-General from a Melbourne law firm. The *Advice* concludes:

I have found the questions on which I am asked to advise difficult ones to answer, but finally I have come to a firm conclusion. In my opinion it is in the public interest that the charges against all defendants should be withdrawn at this stage. The factors which have weighed most heavily in leading me to that conclusion are the absence of financial corruption, the good character of the defendants, and the fact that it does not appear that any of the dependants ... regarded himself as acting morally dishonestly. I do not think that it is possible to differentiate between the defendants in this respect. Another factor is that it would not be in the interests either of the defendants, the Crown, or the public in the circumstances of this case to conduct long criminal proceedings where convictions are not likely to result. (p.32).

of the election, than it is to see his defeat as an expression of voter disapproval of his alleged transaction with British Tobacco. In Mr. Cashion's electorate of Wilmot, his elderly colleague, Mr. Fagan (whose standing and prestige in state politics were second to none), also lost support, polling 3,543 primaries as against 4,895 when he topped the poll in 1969 - a drop in support quite in keeping with Mr. Cashion's. By contrast, the highest polling A.L.P. candidates were two young non-sitting aspirants - Mr. M. Polley and Mr. A. Lohrey, who polled 4,456 and 3,992 respectively.

On the basis of these four cases it is difficult to find any evidence that Tasmanians are likely to react electorally to charges of corruption by turning the alleged rascals out. It would, of course, be unwise to attribute to Australians generally characteristics which may be peculiar to Tasmanian voters. Nonetheless one is hard put to find many examples in Australian politics generally (at either state or federal level) which could be construed as instances of an electorate acting to turn the rascals out. Moreover, on the few instances when this might seem to have been the case, the situation is usually clouded by the presence of other factors which could also account for the member of parliament's decline in electoral support. Two such instances shall be examined.

In 1931, the controversial Federal Treasurer, E.G. Theodore, was defeated at the polls shortly after the most sensational case of alleged political corruption in Australian history - the "Mungana affair", in which Theodore was accused of involvement in an earlier mining swindle. It is almost inconceivable in the light of electoral returns, that Theodore's involvement in this affair did not have a

serious effect on his election performance. Theodore originally won the seat of Dalley in a by-election in February, 1927, with a majority of 8,514 (21,186 to 12,667), and held the seat in the 1928 General Election with an absolute majority of 10,736, and again in 1929 when he won by a staggering 22,406 votes (31,276 as against 8,870). Dalley should, on these figures, have been a safe seat for Labor in the 1931 General Election. Yet Theodore suffered a crushing defeat, polling only 7,272 of 39,971 votes cast, and failing to survive the final cutup. The enormity of this loss of support would seem to be incomprehensible without some acknowledgment that the effect of the Mungana scandals on Theodore's electoral standing (and possibly the whole of the Labor Party) had been most certainly deleterious. This is the prevailing opinion among students of Theodore's career. One observer wrote that "... the inexorable laws of politics took their toll. The word 'Mungana' scrawled on a lavatory wall was enough to turn a vote. From such attitudes of mind is generated the feelings which topple governments."⁷⁴ Theodore's biographer, Irwin Young, is another who agrees with this view:

The legal charges concluded, Theodore found that optimism and boldness could not repair the damage inflicted by the findings of the original Commission or the events which occurred during the time he waited for the Queensland Government to bring formal charges.⁷⁵

Finally, Theodore's political opponents also shared this opinion, it seems. Young quotes the Queensland Government's Attorney-General, Mr. N.F. McGroarty, who initiated the trial of Theodore (as well

74. Niall Brennan, *John Wren: Gambler. His Life and Times* (Melbourne: 1971), p. 172.

75. Irwin Young, *Theodore: His Life and Times* (Sydney: 1971), p. 144.

as the earlier royal commission), as justifying the costs of the trial on the ground that "the Mungana case smashed the Labor Party in Australia almost beyond mending. Thousands of persons throughout the Commonwealth consider that I was worth what I was paid in that case".⁷⁶

Yet it would be misleading to attribute Theodore's electoral defeat solely to his implication in the Mungana affair, and the question must be left open as to whether this was even the primary cause of his defeat. Theodore was the most controversial figure in an unpopular government unable to cope with the serious economic problems with which the nation was beset, and which was riven by damaging internal faction fights in which Theodore was deeply involved. The Scullin Government suffered a heavy loss and Theodore's personal defeat must to some extent be seen as part of the general swing against the A.L.P. for the Government's failure to deal effectively with the pressing economic problems of the day. Moreover, while many voters obviously must have turned against Theodore because of the Mungana scandals, a substantial number of Australians are also known to have dismissed the affair as a blatantly partisan concoction of Theodore's enemies (of which he had many), the purpose of which was the political destruction of Theodore personally, and along with him, the Scullin Government.

It may be then, that Theodore's defeat can be legitimately seen as the turning out of a rascal, but the existence of other elements renders difficult any assessment as to the primacy or otherwise of this particular factor in his defeat. Moreover, the political stage

76. *ibid.*, p.144.

on which the Murgana drama was played was such that if any alleged instance of corruption was ever to have electoral repercussions, this would be it. To find an electoral reaction arising out of less sensational circumstances is much more difficult.

One possible example of electoral expression of disapprobation of a representative's actions from more recent history is instanced by the defeat in 1970 of the Victorian Minister of Lands, Sir William McDonald. Eight months before McDonald lost his seat it was discovered that an environmentally controversial road to be driven through the Little Desert conveniently ended at the property of his brother-in-law.⁷⁷ In this case it cannot be claimed that McDonald was a victim of a general swing against his party - although the Liberal Party lost two seats its percentage of the overall vote increased marginally from 37.2% to 37.3%. The disclosure of McDonald's personal interests in the Little Desert was a major embarrassment to the Government. The story was first carried by *The Age* on October 4, 1969, and drew a stinging reply from the Premier, Sir Henry Bolte, on October 6, in which he strongly defended the Minister's integrity. A particularly acrimonious parliamentary debate ensued in which the Labor Opposition was supported by the Country Party. The affair caused such rancour both in Parliament and in the community that it is difficult to escape the conclusion that McDonald's handling of the Little Desert controversy was a major factor in his defeat.

Whether it was the conflict of interest element in the controversy which led to McDonald's defeat is, however, a much less certain

77. The chain of events which came to be known as the "Little Desert Controversy" is well summarised by Sol Encel, *Cabinet Government in Australia*, 2nd edn. (Melbourne: 1974), pp.137-138.

matter. The Little Desert scheme was open to criticism on both economic and environmental grounds, and it is of some significance that after the election, Sir Henry Bolte listed the scheme's unpopularity as one of the major factors working against him in the election⁷⁸ - and he was *not* referring to the possibility that McDonald's conduct had been unethical - as already noted, he had earlier repudiated this suggestion in the strongest possible terms.

Two months prior to the election it was suggested that the Little Desert controversy had occurred because "the ground-swell of public opinion and parliamentary concern on conservation apparently caught Sir Henry Bolte unawares",⁷⁹ probably because "conservation is one of the big emotional issues in the cities, and Sir Henry and Sir William, both farmers with producer attitudes to marginal scrub-land, would tend to underestimate its appeal to city dwellers."⁸⁰ That this opinion is substantially accurate, and that these feelings were probably registered electorally in the 1970 election is suggested by the results of a by-election for the Dandenong electorate on December 6, 1969, in which conservation issues generally and the Little Desert scheme particularly were canvassed as major issues and which resulted in a heavy swing to the A.L.P.⁸¹ and also by the notable successes which conservation-oriented candidates achieved in local government elections in Melbourne at this time. McDonald's electorate of Dundas is a swinging semi-rural seat in Western Victoria, and one presumes that pro-conservationist sentiments would have been less strong there

78. As reported in *The Australian*, June 1, 1970, p.3.

79. Jean Holmes, "Australian Political Chronicle, September-December, 1969: Victoria", *Australian Journal of Politics and History*, Vol.16 (1970), No.1, p.84.

80. *ibid.*, p.85.

81. On the basis of this result Bolte announced that the Little Desert project would be shelved.

than in Melbourne itself. Nonetheless it seems likely that conservationist sympathy was at least as significant a factor in McDonald's electoral defeat as were doubts which the electorate may have harboured concerning the ethics of McDonald's actions in the Little Desert affair.

Possibly even more important was the fact that the scheme was a dubious proposition on economic grounds. In the October 7 debate on the Little Desert proposals the Country Party leader, Mr. Moss, stated that: "if the development of the Little Desert is allowed to go unchallenged, it will be economically the most disastrous scheme ever undertaken in this state."⁸² The Opposition leader, Mr. Holding, also based much of his attack on the economic aspects of the scheme, citing a number of agricultural and economic authorities in support of his case.⁸³ In fact, though the October 7 debate was originally precipitated by a ministerial statement by Sir William McDonald in which he was concerned to deny the imputations of dishonesty contained in the *Age* article of October 4, the question of public ethics was glossed over quickly by the Opposition as they attempted to score political points, not by questioning the Minister's integrity, but by revealing the economic and environmental shortcomings of the Little Desert scheme. Eventually a Government backbencher did try to point out that the purpose of the debate was being avoided:

I do not wish to say very much on this issue, but there is one point on which I feel strongly. In conducting their case against the Ministerial statement, members of the Opposition have avoided the real issue; they have endeavoured to turn this into a debate concerning the pros and cons of

82. Victoria, Parliament, *Parliamentary Debates*, Forty-fourth Parliament - Third Session, 1969, No.5, p.702, October 7, 1969.

83. *ibid.*, pp. 674-678.

the Little Desert . This is not a debate on that issue; it is a debate concerning the integrity and honesty of the Minister of Lands.⁸⁴

Later in the debate the following exchanges took place:

Mr. Floyd (A.L.P.): Opposition members have tried to keep the debate on a high plane. We have wholeheartedly agreed that the Minister's integrity is not in question.

Sir Henry Bolte: Oh rubbish.

Mr. Floyd: We say that his integrity is not in question.

Mr. Rossiter (Liberal): Did you hear the speech of your Leader?

Mr. Floyd: I personally do not think the Minister's integrity is in question.... I believe that every other speaker in the debate has been kind enough to say the Minister's reputation is above reproach.⁸⁵

And later:

Mr. Suggett (Liberal): The Leader of the Opposition suggested, all along, that what the Minister has done has been completely dishonest.

Mr. Holding: That is not true at all.

Mr. Suggett: Whether or not we consider the Little Desert project good or bad, the whole debate is on whether the Minister is dishonest.

Mr. Holding: Not "dishonest".⁸⁶

The Opposition obviously felt that the Government generally and McDonald particularly were more vulnerable to charges of economic and environmental mismanagement than to suggestions of ministerial impropriety. As it was in terms of these aspects that the Little Desert debate was couched in the ensuing months, it seems reasonable to conclude that ethical questions contributed less to McDonald's electoral demise than did the economic and environmental implications

84. *ibid.*, p. 703. The speaker is Mr. B. Dixon.

85. *ibid.*, p. 709.

86. *ibid.*, p. 710.

of the proposed

Finally, whilst evidence pointing to the turning out of a politician suspected of corrupt practices is difficult to locate and substantiate, there is one outstanding example from post-war political history of a Minister of the Crown caught squarely in a major corruption scandal when obliged to face an election, which strongly indicates that Australians are *not* prone to turn on suspected rascals at the polls. This instance occurred in 1956, and involved T.A.Foley, Minister for Lands in the Cair Labor Government in Queensland.

Encel describes the chain of events.

Following report in the press and allegations by a Queensland Senator in the federal parliament, the State government of V.C. Cair appointed Mr. Justice K.R. Townley as a royal commissioner to inquire into lands administration. After hearing evidence of corrupt practices, including a demand by the minister for an amount of £1000 to agree to the grant of a pastoral lease, the commission adjourned and presented an interim report recommending that these charges be investigated. Foley asked to be relieved of his ministerial duties. The government decided to prosecute Foley, and a hearing was held by a magistrate, who dismissed the charges without committing Foley for trial before a jury. *These events occurred just before a general election, at which Foley held his seat with an increased majority....* In June the royal commission presented its report and made three findings of corrupt conduct by Foley.⁸³

This particular instance would seem to reinforce those conclusions arrived at in the earlier examination of electoral responses to corruption allegations in Tasmania, though here too an intervening

87. McDonald's heavy-handed approach to the controversy and his intransigence in the face of mounting public opinion probably also told against him. The Little Desert scheme came to be a personal crusade for McDonald as opposition to it mounted, and many voters may have been repelled by the apparent fanaticism with which he pursued it.

88. Encel, *op.cit.*, pp. 142-143. (emphasis added)

factor - in this case, the acquittal obtained by Foley on the eve of the general election, which conceivably may have convinced most electors that Foley was innocent of the charges against him and that the matter was henceforth closed - renders it impossible to hold this conclusion with too much confidence. Nevertheless, if the electorate is wont to register its disapproval of corrupt practices via the ballot box, it would be reasonable to expect some drop in Mr. Foley's vote, not a positive increase.

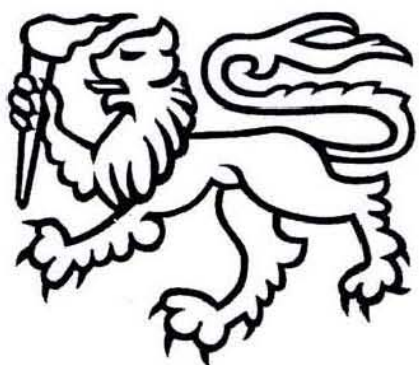
What can be said by way of conclusion? It would seem that one can only concede, on the basis of the foregoing analysis of American academic studies and Watergate reactions and of the treatment meted out (or not meted out as the case rather appears) by Australian electorates to figures involved in corruption allegations, that the question remains open, particularly in the case of the United States where the evidence that action may be taken on some occasions to turn rascals out is somewhat stronger than it is in the case of Australia. Concerning Australia one is hard put not to agree with Encel's summation:

The general picture suggests that charges of corruption against Ministers in Australia, so long as they are not conclusively proved, do not constitute a fatal threat to the political career of an individual.⁸⁹

In any event, the evidence as presented in the two preceding chapters suggests that whatever the nature of political corruption is, it is not, as is so often assumed, a prime mover of governmental change. Insofar as it has a role in this process it is more as a justification of change, its real purpose being the diversion of public attention from the true motives of those desiring change. Moreover, as the

⁸⁹. *ibid.*, p.144.

political consequences of corruption for its exposed practitioners remain undetermined, little insight into the nature of corruption can be obtained from analysis of electoral behaviour.



UTAS

CHAPTER 8.

THE GREY ZONES : A NOTE ON AUSTRALIA

"The comparative study of corruption across national frontiers and through time", writes Scott, "presents imposing conceptual obstacles."¹ In the next three chapters an indication is made of the approach which needs to be taken if corruption is to be rendered capable of comparative analysis. Earlier it was argued that unlike a term such as "corruption", which is essentially one of moral censure, terms like "bribery", "extortion" and "nepotism" are non-variable; they refer to clearly identifiable activities, which may be studied on a cross-cultural basis by merely identifying and quantifying those practices to which they refer. This is not possible with "corruption" which refers to different practices in different cultures.

The first step required in any attempt at cross-cultural analysis of corruption is, therefore, to analyse each relevant cultures with a view to establishing those activities which are held to be corrupt and those which are considered legitimate. This should not only prove a rewarding and useful exercise in itself, but it opens up many more opportunities for comparison as well. Having established what corruption actually consists of in the relevant contexts, it should then be possible to make statements concerning the relative frequency with which corruption occurs in its different contexts,

1. James C. Scott, "An Analysis of Corruption in Developing Nations", *Comparative Studies in Society and History*, Vol.1 (1969), No.3, p. 321.

the efficacy of measures taken to control it, its contribution to political and economic development, and so on.

It may be objected that such an approach is rendered too cumbersome by the difficulties involved in making any satisfactory analysis of a society's current standards of public ethics. As argued in chapter 4, such a task is undoubtedly arduous and fraught with many difficulties, but there is nevertheless no other satisfactory alternative. In any case, one factor at least facilitates this endeavour. It was also argued in chapter 4 that the similarities between concepts of public ethics will be more pronounced from one cultural context to the next than will the differences. It is those practices of dubious legitimacy, those twilight practices which will be collectively termed corruption's grey zone,² on which the observer should concentrate.

Chapters 9 and 10 will be devoted to analysis in an Australian context of two separate practices which fall within the grey zone. These chapters are intended to serve merely as examples: they purport to demonstrate how the moral status of activities of doubtful validity may be reasonably ascertained. They go no further than that and few wider observations concerning the nature of the Australian political system have been attempted on the basis of the findings arrived at therein. Nor is it pretended that the two practices which have been chosen for examination constitute the limits of the

2. The term is not mine. Francis Noel-Baker M.P. uses it in reference to conflict of interest problems in an article written in 1961 [Francis Noel-Baker, "The Grey Zone: The Problem of Business Affiliations of Members of Parliament", *Parliamentary Affairs*, Vol. 15 (1961), No.1, pp. 87-94.], and the author has frequently encountered it in informal discussion.

grey zone in Australia; they are, as stated above, intended to serve an illustrative function.

Before proceeding to a consideration of the grey zones in Australian public morality, a general consideration of the place of corruption in Australia's political culture would seem to be in order. The remainder of this chapter is given over to this task.

Corruption and the Australian Political Culture

Corruption in Australia, as elsewhere, received little attention from academics until quite recently.³ There is, however, a growing body of popular literature on the subject; indeed it is fair to say that when novelists and historical journalists cast about for a political theme there is every chance that they will decide to undertake an exposé of one of the many shady characters from Australia's political history. This literature remains uncollated, though at least one astute observer has noted and lamented the fact. Cyril Pearl has written:

Some day someone will write the full story of Australian roguery, from the rum racketeers of the First Fleet to the beer racketeers of the Second World War, from land swindlers to mine swindlers, from William Wentworth to Claude de Bernales. The dramatis personae will be well assorted - red-coated English officers and wide-hatted Australian squatters; Tories and Socialists; knights and nobodies; politicians, policemen, aldermen; racing-men and brewers; and every State will provide a scene or two....⁴

3. The only attempt to place corruption in systematic relation to the whole political system is that of Encel (*op.cit.*, pp. 141-145). Though he arrives at conclusions which are generally quite sound, his analysis is somewhat superficial, consisting of a brief historical survey of cases of corruption in Australian politics which is most notable for its omissions.
4. Cyril Pearl, *Wild Men of Sydney* (Melbourne: 1958), p.7.

It is most unlikely that the "some day" referred to by Pearl will occur in the near future. Pearl himself is one of the most prominent of those dabblers who have preferred to investigate the activities of controversial historical personalities. His *Wild Men of Sydney* catalogues the activities of John Norton, William Willis and Paddy Crick, three colourful villains prominent in the political and social life of New South Wales at the turn of the century. All three held seats in the New South Wales Parliament and Norton was also an alderman. That the three should have experienced so little difficulty in securing entry into State politics, and flourishing therein when their activities were widely known, is itself sufficient indictment of the degree of corruption present at the time, and the readiness with which it was accepted. "They were," writes Pearl, "aggressive and accomplished demagogues who made little or no attempt to conceal their complex villainies".⁵

Norton, as portrayed by Pearl, was a scandal-mongering hypocrite⁶; a drunkard and megalomaniac whose vitriolic pen heaped libel and defamation on the head of any public figure to whom he took a dislike, and whose own political activities could stand no close scrutiny. A man who had "a comfortable flexibility of political philosophy",⁸

5. *ibid.*, p.7.

6. A man of debauched tastes himself, Norton's attempts to discredit people whom he conceived of as opponents frequently relied heavily on charges of sexual licence and public and chronic drunkenness.

7. He owned a mansion called St. Helena "which contained more than eighty statues and hundreds of pictures and relics of Napoleon, with whom he had come to identify". (*ibid.*, p.9.)

8. *ibid.*, p.31. Norton was generally considered a radical and champion of the working class, though he "was never a member of the Australian Labour Party" (*ibid.*, p. 241), and through his mouthpiece, the *Truth*, "consistently attacked its leaders", (*ibid.*, p. 241).

he was apparently involved in blackmail, fraud, conspiracy and incitement to crime during his politically active years. Nevertheless, most of Norton's more notorious activities - violently resisting removal from the House for swearing and cursing drunkenly at fellow parliamentarians during sittings, provoking public fracas (both legal and physical) with other public figures and so on -- are probably best described as irresponsible larrikinism rather than political corruption. Not so the activities of Crick and Willis, the most infamous of Norton's political cronies.⁹ Crick, who has been variously described as a "licensed larrikin"¹⁰ and "the rascally, rumbustious Crick",¹¹ became New South Wales Minister for Lands in 1901, and though he held that position but briefly, he so abused it that his term at the Lands Department became the subject of a royal commission. Evatt comments that "it was made reasonably clear that Crick had systematically practised extortion and 'blackmail'",¹² though the revelations of Crick's misdeeds "were soon buried deep under the mounting dossier of Willis's complex villainies",¹³ Willis used his position as an M.P. on favourable terms with the Minister to set himself up as an indispensable intermediary between Crick and landowners desiring favoured treatment from the Crown,¹⁴ and had also "contrived by 'dummying' for two valuable improvement leases to be acquired by his wife".¹⁵ During the inquiry Willis "left quietly

9. The three were associated in various ways with the management of *Truth*.

10. H.V. Evatt, *Australian Labour Leader: The Story of W.A. Holman and The Labour Movement* (Sydney: 1954), p. 76.

11. Bruce Mansfield, *Australian Democrat: The Career of Edward William O'Sullivan, 1846-1910* (Sydney: 1965), p. 149.

12. Evatt, *op.cit.*, p.124.

14. *ibid.*, pp. 178-185.

13. Pearl, *op.cit.*, p.181.

15. *ibid.*, p. 181.

on a health trip to South Africa",¹⁶ from where, among other things, he attempted to bribe a Sydney journalist. He was finally extradited and he and Crick subsequently stood trial in the Criminal Court, from which they escaped amid suspicions (well-founded to all accounts) of jury-rigging, though Crick died soon after and Willis, his political career finally shattered, left Australia for England.

Pearl's account of the colourful careers of these three political larrikins is firmly in the mainstream of popular Australian writing on corruption, much of which centres around the many dubious dealings of exotic personalities with which Australian political history is littered. Observers dealing with pre-Federation political life are likely to concentrate on characters like Norton, Crick and Willis, or on colourful incidents such as the well-known patronage which members of the Victorian Parliament were wont to accord the brothels of Madam Brussels and Annie Wilson, behind the doors of one of which the five foot silver-gilt speaker's mace, which disappeared from its locked case early one morning in 1891 after the House had risen, supposedly found its way.

Contributions of this nature are undoubtedly of considerable value, for they provide insight into both the degree of corruption and the manner of its reception. Pearl stresses that his three villains were merely the supreme manifestations of a general condition in political life (and social life generally) in New South Wales at this time. "In spirit," he says, "it was closer to the 18th than to the 20th century. There was a Hogarthian flavour about its brutality, its boozing, its corruption".¹⁷ Dubious political practices were not

16. *ibid.*, p. 181.

17. *ibid.*, p. 11.

the prerogative of eccentric political mavericks like Crick and Willis. Of Sir Henry Parkes, the most prominent figure in the Federation movement, and Sir George Dibbs, his arch-rival in New South Wales state politics, Pearl writes: "They saw nothing improper in a Premier borrowing large sums that he could never repay and rewarding his creditors with a Cabinet appointment or a comfortable seat in the Upper House".¹⁸

The political milieu was one in which corruption might reasonably be expected to flourish.¹⁹ Nor was the opportunity lacking. In both Sydney and Melbourne badly conceived and executed land laws provided ample scope for corruption. It is no coincidence that Crick and Willis blotted their respective copybooks during the period when Crick held the Lands portfolio,²⁰ and the list does not end there; Crick's predecessor as Minister for Lands, T.H. Hassall, also resigned and fled to South Africa in suspicious circumstances. In Victoria the situation was, if anything, worse than in New South Wales. Malpractice in the execution of Victoria's land laws in the late nineteenth century has been fairly well documented, and these works probably constitute the most comprehensive analyses of political

18. *ibid.*, pp. 14-15.

19. Pearl writes: "Fights between members were not uncommon and the sight of a drunken statesman falling off his bench during a debate excited amusement rather than indignation." (*ibid.*, p.15.) If the state of parliamentary behaviour was as described it is unlikely that politicians would be dissuaded from engaging in corrupt practices by a sense of pride in the dignity of the institutions which they graced.

20. Of the investigation into their activities Pearl writes:
 ... the Report on the Administration of the New South Wales Land Department published in 1906 [is] a huge catalogue of political and social corruption, bribery, extortion and theft, involving thousands of pounds of tainted money and millions of acres of dishonestly-acquired land."
 (*ibid.*, p. 176.)

corruption in any period of Australian history. Two contributions stand out - those of Margaret Kiddle²¹ and Michael Cannon.²² The tendency to concentrate on "characters" is again apparent, though these presentations are not as overwhelmingly biographical and anecdotal as Pearl's, and as such are more useful contributions to the study of Australian corruption.

It appears that land alienation was the focus of corruption from the very earliest days of responsible government in Victoria. On November, 1859, *The Age* reported:

A day or two ago the Supreme Court proceedings gave spectators a hasty glance at what good use may possibly be made of high official appointments under favourable circumstances. The trial of *M. Hallie v. Clarke*, otherwise unworthy of comment, acquired a most unwonted significance from the manner in which the Surveyor-General of the colony appeared in connection with its subject transactions...²³

But matters did not really get out of hand until the 1860s. Kiddle's study is most valuable for its analysis of the systematic evasions through the 1860s and 70s of the 1862 Duffy Act,²⁴ and the 1865 Grant Act.²⁵ The Duffy Act inspired malpractice even before it became law, for included in a half-hearted illegal conspiracy to defeat it were some members of the O'Shanassy government.²⁶ The

21. Margaret Kiddle, *Men of Yesterday* (Melbourne: 1961), especially Ch.12.

22. Michael Cannon, *The Land Boomers* (Melbourne: 1966).

23. Quoted in *The Australian Thunderer: "The Age" After the Gold Rush, 1854-1859* (Melbourne: 1971), p. 95.

24. Gavan Duffy was a radical idealist who became Minister for Lands in 1861 in Sir John O'Shanassy's government.

25. J.M. Grant was Minister for Lands in James McCulloch's government, "a tough ex-gold digger and lawyer who had championed the Eureka rebels". Kiddle, *op.cit.*, p. 245.

26. *ibid.*, p. 234

purpose of the Act, to break the squatter stranglehold and throw open the land to small selectors, was evaded because the Act was unable to halt dummying, which frequently took place with the connivance of officers of the Department of Public Lands.²⁷ It was the Grant Act, however, which injected wholesale corruption into public life, and this appears paradoxically to be largely a result of the increased difficulties now encountered by squatters - as a result of the Duffy Act - in getting their own way. Kiddle quotes the following extract from a letter by Niel Black, himself a powerful squatter who was not beneath involvement in shady transactions, to his partner, T.S. Gladstone:

The system is thus [Black explained to Gladstone] a "land shark" or "land jobber" fees and retains as many M.Ps. who back up his application to have certain land sold by auction. The president [Grant] yields to the pressure, the land is sold. The squatter buys it at the highest figure it will fetch at auction and in addition pays his agent 40/- or 60/- per acre as the case may be, this sum the agent or land shark divides or apportions among the members of Parliament which he retains. ²⁸

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27. *ibid.*, pp. 243-244. The legal defects and political abuses are strikingly comparable with the weaknesses in (and attendant abuses of) the 1861 Robertson Act in New South Wales. See Pearl, *op.cit.*, pp. 177-178.
28. Kiddle, *op.cit.*, p. 248. Some of these powerful individuals are also cloaked in the fabulous aura which surrounds men like Norton and Crick (and which also characterizes more recent political rogues). They include Thomas Asche, "a burly golden-bearded Norwegian, with a bone-breaking hand clasp [who] had graduated in law at Christiana University, and came to Victoria as a gold-digger ... his fondness for whisky was never known to cloud his preternaturally sharp judgement" (*ibid.*, p. 238), and Hugh Glass, who apparently made no secret of his sway over parliamentarians (*ibid.*, p. 249), and of whom the *Leader* wrote:

Mr. Hugh Glass deals with public men as he deals with his stations.... Hugh Glass is an institution - a part of the Government. He is the refuge of needy legislators and intriguing Ministers; what the Chief Secretary is to the Cabinet Hugh Glass is to the Chief Secretary and his colleagues. The nod of Hugh Glass is the downfall of the Ministry. He is the head and patron of the Lands

(contd.)

Kiddle opines that "this intricate machinery of corruption in which so many were involved seems to have been the work of at least two or three years",²⁹ In 1869 Grant's new Act became law, and this closed many of the loopholes in the previous legislation. In addition, three libel cases involving the Minister for Railways, Mr. C.E. Jones, brought to light so much apparent corruption that George Higinbotham, H.J. Wrixon, and the rising champion of radicalism, Graham Berry, who appear to have stood out from their colleagues *because of their unchallengeable honesty*, were finally able to have the allegations aired before the Select Committee on Complaint.³⁰ As a result of the investigation one member was expelled (Jones had already resigned) and two others would certainly have been expelled also had they been still living.

In terms of political corruption the 1870s was a relatively quiet period compared with what had preceded it and what was still to come. In the 1880s, however, a further series of scandals occurred as the Victorian economy rode the crest of a wave and land values soared. Cannon takes up the story where Kiddle leaves it; he documents the involvement of Victorian politicians in the many land swindles and scandals of the 80s:

Fairly typical of the companies formed

Department. Mr. Gavan Duffy's son is in Mr. Glass' employment and our Survey-General's son is Hugh Glass' partner in a station. Can we wonder that Mr. Glass considers the Legislature a branch of his business establishment and that suspicion attaches to the administration of the Lands Department.

(quoted by Kiddle, *op.cit.*, p.250.)

29. *ibid.*, p.252.

30. *ibid.*, p.256.

by M.P.s during Gillies'³¹ reign was the Country Estates Co.Ltd., which proposed to subdivide land covered by thick scrub near the railway line at Neerim, Gippsland. The major shareholders were four members of the Legislative Assembly - J.F. Leisen, A.C. Groom, Matthew Davies and J.H. McCole - and two members of the Legislative Council - Sir Benjamin Benjamin and Henry Gore. The government was persuaded that it was essential to build a station in the area, so the Railways Department bought six acres from the company at thirty times the original price. The government was also persuaded to build a metalled road through the scrub. The blocks were sold by A.C. Groom, M.L.A., an auctioneer who represented the district in Parliament. For years the area remained as weed-covered paddocks, but eventually became the township of Neerim South.³²

Yet not even Cannon is able precisely to estimate the degree of complicity of politicians in the many scandals of the 80s and 90s. Four members of Gillies' cabinet were tried on unrelated conspiracy charges and acquitted, though at least one narrowly escaped imprisonment.³³ Outside Cabinet the picture was even more lurid. "Both the

31. Duncan Gillies became Premier of Victoria in 1886. Though apparently a man of the highest political scruples, "it was this model of political rectitude," writes Cannon, "who, along with Alfred Deakin, was to give free rein to the land boomers." (Cannon, *op.cit.*, p.31.)

32. *ibid.*, p. 31.

33. Gillies' Minister for Lands, John Lamont Dow. Cannon writes: Dow became a director of the notorious Premier Building Association, and borrowed heavily here and there for personal land transactions. His creditors were held off until 1893, when he went bankrupt for £26,000, with assets worth precisely twelve shillings. Cross-examined in court, he claimed he had been "induced" into land deals. "The next man that comes to you with a good thing, hit him with a club," he advised Judge Molesworth. "From 1886 to 1890 I was Minister of Lands and was paying all I could out of my salary of £1,500 a year to my creditors," Dow told the court. (It was supposed to be illegal for an insolvent to remain a Member of Parliament.) Dow's cross-examination revealed other scandalous facts. He had made early application for the release of his estate, because he "wanted to regain his seat in Parliament". His creditors had agreed in advance to release him if he impounded his parliamentary salary for their benefit. Among these creditors were George Chaffey and Stephen

Lower and Upper Houses were full of financiers, speculators, and entrepreneurs of high and low degree".³⁴ In three pages³⁵ Cannon catalogues the inglorious activities of sixteen M.L.A's and M.L.C's whose activities in the land boom resulted in bankruptcy for either themselves or their inheritors, drove most out of politics, and some from the colony altogether. Not even the great Alfred Deakin was beyond suspicion.³⁶

The nearest approximation to Paddy Crick in the Victorian Parliament was probably "Honest Tom" Bent. Just as Crick can be seen as an exaggerated personification of the nature of New South Wales politics in the latter half of the nineteenth century, so can Bent be seen as the extreme manifestation of the typical modes of political conduct in Victoria at the same time. Bent, who was firstly Minister for Railways and later Speaker of the Victorian Parliament during the land boom and crash, was one of the most prolific and unscrupulous of the politician-speculators, and fought his way back from

Cureton, two directors of Chaffey Bros. Ltd. Dow had been Minister of Lands at the time that independent Mallee settlers were battling against the Chaffey interests. He had helped put through the Act which in effect gave control of the Murray waters to the Chaffeyes, while at the same time borrowing money from them for his personal expenses. (*ibid.*, p. 33.)

34. *ibid.*, p. 33.

35. *ibid.*, pp. 33-36.

36. Cannon writes:

Radical yet not radical, Deakin soon showed that as a Cabinet Minister he was not the man to prosecute the authors of financial disaster with any vigour. The reasons are not hard to find. Deakin was too closely involved with several of the biggest land boomers to be very interested in checking their meteoric careers. For instance, Deakin became chairman of the City of Melbourne Building Society when Sir Matthew Davies retired from that position. Deakin was also a director of James Munro's Australian Property and Investment Co.Ltd. when it crashed. Ambition, if not desire for a quick fortune, makes strange bedfellows. (*ibid.*, p. 32.)

apparent political oblivion to become Premier of Victoria. His willingness to use his privileged position as a parliamentarian and participant in government³⁷ to acquire land on the cheap which was subsequently sub-divided at a handsome profit is well detailed by Cannon.³⁸

Though discussion has centred on the situation in the two most populous states, that there was much corruption in all the Australian colonies in the nineteenth century seems evident. The scale of corruption in the other colonies did not reach the heights (or lows) of New South Wales or Victoria, but there were similar opportunities for corruption in the smaller colonies.

That land was the issue which provided its life blood also seems obvious. Pearl writes: "Bad law inevitably breeds corruption: in Australia bad land and liquor laws have been its great incubators."³⁹ As a general description of the sources of Australian corruption, Pearl's statement is inadequate for it omits gambling, which has been the mainspring of much post-Federation corruption. Nevertheless, in the days prior to Federation, problems of land regulation were the most important (though not the exclusive) source of corruption, as is revealed by the frequency with which royal commissions into

37. Including local government. He sat on two councils simultaneously for twenty years, during which he was mayor of Brighton on no less than nine occasions.

38. *ibid.*, pp. 180-187. Among his best known achievements were the sale of land officially valued at £10 per acre to the government of which he was a member for £54 per acre and the trading of a railway siding for a member's support on a crucial division. His most frequent trick was to buy suburban properties which subsequently soared in value when, in his capacity as Minister for Railways, he strategically placed train or tram routes in their near vicinity.

39. Pearl, *op.cit.*, p. 176.

governmental impropriety were concerned with land dealings. Little wonder that the few existing descriptions of Australian corruption in the nineteenth century - those of Pearl, Cannon and Kiddie - focus heavily on abuses in land regulation.

In the light of arguments propounded earlier the question may be asked: but was this corruption? If corruption is culturally determined could it not be that the activities condemned as corrupt by Kiddie, Cannon and Pearl were seen as perfectly legitimate by the societies in which they took place? Certainly evidence can be adduced to support this view. Of Paddy Crick, Pearl writes:

Even when conducting his own defence in the Criminal Court, he seemed to be unaware that there was anything wrong in taking bribes. "If a person came to me and offered me £10,000 to put through a matter for him, and I could put it through in a legitimate and honest way," he told the jury, "I would take the amount, just as a barrister would take a £5,000 fee." The manifest absurdity of this argument suggests that it was born of a deficient moral sense, rather than of conscious duplicity. ⁴⁰

Yet it may be that this "deficient moral sense" was not confined to Crick, but reflected the attitude of the society at large. Pearl reports that Parliament seemed most reluctant to air the charges contained against Crick in the Royal Commission into the Administration of the New South Wales Land Department,⁴¹ and when the Government eventually did launch criminal proceedings, "the half-hearted attempts to get convictions against Crick and his accomplices were equally discreditable."⁴² Pearl does not tell us how the public viewed Crick, Willis and Norton, though none of them ever experienced

40. *ibid.*, pp. 184-185.

41. *ibid.*, pp. 185-187. See also the summary of events by Joan Rydon and R.N. Spann, *New South Wales Politics 1901-1910* (Melbourne: 1962), pp. 70-71.

42. Pearl, *op.cit.*, p. 187.

much difficulty in securing election to public office, and we are told that Norton "was enthusiastically elected" as alderman to the City Council.⁴³

Kiddle is considerably more precise on this score. She writes of the public enthusiasm for the rich, land-grabbing, parliamentarian-bribing squatter Hugh Glass,⁴⁴ and poses the rhetorical question:

Here was the greatest of the reviled race of squatters caught red-handed and delivered up to justice, yet the crowd despite the denunciations of *The Age*, persisted in regarding him as Graham Berry complained in the Assembly 'almost [as a] hero'.⁴⁵

Why should this have been so? Glass apparently had qualities which set him apart from most men, though these qualities had nothing in common with those which distinguished Norton and Crick from their fellows. Kiddle sees Glass as a man with a "touch of greatness",

43. *ibid.*, p.133. Pearl also describes enthusiastic receptions received by Norton while touring country towns. The overall impression one gains from his book, in fact, is that Norton's sham radicalism and contrived image of the people's champion against privilege made him a popular figure, which the larrikin-streak in his character did not damage at least: in fact, it is hard to conclude other than it considerably enhanced his standing.

44. Enthusiasm for Glass is described thus:
 ... crowds thronged outside the House when Glass was brought to the bar.... Excitement became intense when a few days after his imprisonment it was learnt that Glass's counsel had applied for a writ of habeas corpus. He was taken from the gaol to appear before the Chief Justice, Sir William Stawell, and his brother judges. "A crush of the most unprecedented character" pressed around the doors of the Supreme Court and waited anxiously for the decision. When it was heard there were cheers and rejoicing, for Glass was freed.
 (Kiddle, *op.cit.*, p. 259.)

45. *ibid.*, p. 261.

and certainly not without scruples.⁴⁶ Glass was undoubtedly different from Crick in his sense of propriety, though he also showed a fine appreciation of the semantic niceties involved in a term like "bribe".⁴⁷ Closer to Crick, as we have seen, was Tom Bent, of whom Cannon reports:

Bent was the outstanding example of a man using his political position blatantly for personal profit, and degrading the standards of public life. "Honest Tom" must have been genuinely surprised by the continual charges of jobbery laid against him. In his ethos, what was good for Brighton was good for the whole colony, and what was good for the colony was good for Thomas Bent. It was a perfect circle, neatly completed to the eternal personal and political profit of himself.⁴⁸

The picture which emerges then, is one in which the most notorious practitioners of corruption in New South Wales and Victoria appear, like Plunkitt of Tammany Hall, to be genuinely unaware of anything wrong in their activities. Moreover, the mass of the populace appear

46. She writes:

There was greatness in Hugh Glass; generosity, and when his designs were not thwarted, humanity. There was also the sensitive intelligence which used these genuine qualities to his own advantage in playing upon an audience. The crowd knew he had dummed and cheated and bribed to gain his own ends - but knew, too, that unlike many squatters from the Western District he was not a pious Scotchman who argued self-righteously that what he did was for the glory of the Lord.... He was a gambler on a magnificent scale, and amongst those who cheered him were many gold-digging gamblers. Their spirit and his were the same.

(*ibid.*, pp. 261-262.) The popular reception accorded the discredited ex-M.H.A., C.E. Jones was even more spectacular, and carried him back into Parliament. (*ibid.*, p. 256, and pp. 260-261.)

47. See the extract from his defence in Parliament, quoted *ibid.*, p. 259.

48. Cannon, *op.cit.*, p. 182.

not only to have not been moved to expression of disapproval of these activities but to have positively sanctioned them by enthusiastically supporting those whose wrong-doings were exposed, and where necessary, returning them to Parliament.⁴⁹ Small wonder that The Age could declare in frustration: "Half the dishonesty now practised in Parliament, is due to the fact that the great mass of electors⁵⁰ admire success more than they reprobate trickery ...

Was this corruption then? Certainly it was. Firstly, it took place within a certain institutional milieu, the values of which were widely understood and accepted by most of the system's voters, legislators and administrators. Crick, Norton, Jones, Glass, et al., enjoyed popular support not because the electors believed them not guilty of doing wrong, but because they were being unfairly singled out for punishment when many of those who were casting stones were equally worthy of condemnation. Kiddle quotes the *Ballarat Star*: "Jones is openly defended on the ground that he is no worse than other folks, and if we are to believe those who defend him, the whole parliamentary system is rotten to the core."⁵¹ Nineteenth century Australia was not then an instance of the norms of alien institutions clashing with indigenous values of public behaviour. Society *did* judge people like Jones to be corrupt. It was simply that such people were, in the first instance, defended on the grounds of justice, for corruption was held to be much too widespread to justify the singling out of isolated individuals.

~~-----~~ In the second instance, and more importantly, they were defended

49. As would be expected in view of the conclusions reached in chapter 7.

50. Quoted by Kiddle, *op.cit.*, p. 270.

51. *ibid.*, p. 256.

simply because, for the bulk of the people, corruption was not something which rated high on their list of political priorities. In chapter 7 it was argued that people may vote for an election candidate whom they believe to be corrupt if other priorities are seen to outweigh the corruption. This was almost certainly the case in the Australian colonies, where those who held political power were cordially detested by those from whom a share in political power was withheld. Cannon supplies the reason:

... because members of Parliament were poorly paid, if at all, it was almost essential for them to be "men of property" in one form or another before they could afford to stand for election. One could be a self-made man like James Munro, M.L.A.; or the owner of great estates like Sir William Clarke, M.L.C.; or a maverick like Alfred Deakin, M.L.A., who could make a living at the Bar during the day and fulfil his parliamentary duties in his free time. The principle was the same in each case: that before one could be elected to Parliament, it was essential to be a supporter of the general aims and outlook of the propertied class. The artisan and the labourer had a vote, but little effective choice between candidates. The final result was that the privileges and powers of Parliament were captured by men who, with a few notable exceptions, had risen by self-seeking methods and who were able to continue the process of self-aggrandizement backed by the machinery of State. 52

There was then, what amounted to a virtual class monopoly on political activity. This monopoly was widely recognized by the politically under-privileged and provided much of the impetus for the formation of the Labor Party and for such issues as payment of members and extensions of franchise. The most notorious of the corrupt practitioners were colourful demagogues who set themselves up as champions of the people. To support men like Norton, Crick, Jones and Bent was to

52. Cannon, *op.cit.*, p.29.

oppose the political stranglehold of the squatocracy.

It must nonetheless be admitted that an important element of the support accorded those engaging in corrupt practices stemmed simply from identification with their larrikinism; from appreciation of the colour and excitement which they injected into political life. To this extent it is certainly true that in terms of the mores of society their activities could not be classed as corrupt. But even here a clear distinction needs to be made, in this case between the politically backward and the politically sophisticated sections of society, for the latter segment of the community, which included important sections of the press, demanded standards of public propriety which are rigorous even by today's standards.⁵³

In sum then, it would seem that a large section of the population not only cared little about corruption, but positively delighted in it. That it was corruption notwithstanding seems equally clear, for the absence of moral condemnation stemmed not from lack of recognition or acceptance of the moral issues involved. To a degree those who indulged in corrupt practices did reflect an element of popular amoral rejection of any such thing as public ethics, which places some qualification on these conclusions. At the end of the nineteenth century much of this larrikinism started to disappear,⁵⁴ and the

53. See the many *Age* extracts dealing with aspects of political morality in *The Australian Thunderer*, *op.cit.*

54. Not that political larrikinism has entirely disappeared in Australia. Indeed, in some states (it will later be argued) it continues to flourish in state and local government and undoubtedly contributes to corruption. An observation of Pearl's is worthy of note:

In the 'nineties, when Norton and his colleagues were most vociferous, larrikinism was the spirit of the age. It was an organic part of Australian life, so much so that though the larrikin as a social and sartorial type ... has disappeared, many of his characteristics - cheeky aggressive-
(contd.)

Australian political system began to emerge from its irresponsible adolescence. Many factors contributed to the increasing political sophistication of the Australian electorate. One of the most important was undoubtedly the rise of an organized Labor Party, which forced the dilettantes and mavericks to make profound re-assessments of their positions. Evatt comments: "It may be that the opportunism of the politician was merely a sign of the absence of real political parties and live issues."⁵⁵ Another was the abolition of ministerial and other higher official patronage, which traces from the 1895 New South Wales Public Service Act. The importance of patronage to that ethos of subservience of the public interest to private interest (which Pearl, Cannon and Kiddle have described) cannot be under-estimated. "It has been suggested," writes Ken Knight, "that the Dibbs⁵⁶ government ... maintained itself in office largely by using public service patronage and public works to conciliate local interests".⁵⁷ The mere

ness, contempt for authority, strident masculinity - are still ingredients of the Australian make-up. (Pearl, *op.cit.*, p.8.) It is probably not too much to say that much post-federation corruption centres around the activities of individuals who would have been temperamentally more suited to pre-federation politics.

55. Evatt, *op.cit.*, p.14.

56. Sir George Dibbs held office on three occasions. As his first two ministries (in 1885 and 1889) each lasted approximately two months, it is presumed that the quotation refers to his third term in office, from October 23, 1891 to August 2, 1894.

57. Ken Knight, "Patronage and the 1895 Royal Commission of Inquiry into the New South Wales Public Service", *Australian Journal of Politics and History*, Vol. 7 (1961), No.2, p.171. Knight supplies the following example of the political effect of patronage:

That the exercise of patronage could bring in its train serious problems became evident fairly soon after responsible government. The way influence could be exerted in a parliament where members had no strong party allegiances was indicated by the evidence of the Hon. John Robertson before a select committee of the Legislative Assembly which inquired into the civil service in 1872-3. Robertson recalled how an earlier government was pressed by four or five members

(contd.)

fact of federation and the debates leading up to it are further contributing factors. The achievement of close settlement and the closure of the chapter of large-scale land-grabbing also contributed. There were undoubtedly other factors.

In any case, what is certain is that with the death of Paddy Crick in 1908 and the political demise of John Norton in 1910 political corruption in Australia took on a completely different character. No longer was the focus of corruption on land-grabbing squatter-parliamentarians and irresponsible demagogues, with the shining hope for honest government being an organized and principled Labor Party. After 1910 the focus of corruption shifts to the machiavellian machine politics of the A.L.P., with the urbane haughty non-Labor parties presenting a veneer of being "above that sort of thing". Moreover, the focus shifts partly from land deals to gambling, henceforth the twin breeding grounds of corruption in Australia.

It has not been claimed that as greater political maturity has come about, corruption has become any less important in Australian politics. Undoubtedly corruption now occurs much less frequently than in the years of the land boom of the 1860s, 1880s and 1890s, yet it is still of considerable importance, not because it remains a major characteristic of Australian political life in reality (it may so do, but such has yet to be established), but because it remains an extremely important element in people's *perceptions* of Australian politics, as an examination of trends in fictional representation of Australian politics clearly reveals.

of parliament to give an appointment to the father of one of their number. When the request was refused the members voted against the government in a close division and it lost office. (*ibid.*, p. 171.)

Commenting in 1956, Encel saw seven broad categories of political novels in Australian literary history, of which the most significant was the first, "the theme of the Upright Man Too Good for the Dirty Game of Politics".⁵⁸ Of the twenty-one novels considered by Encel six fall into this category, and a further three fit into the category of "machine politics and pressure politics",⁵⁹ making a total of nine out of twenty-one novels which have corruption in the Australian political system as their theme.

Encel's analysis has been trenchantly criticized by Sue Wills,⁶⁰ who states:

'Political novels in Australia' is an inadequate and distorted attempt at analysis for three major reasons. Firstly, Encel does not tell us what the limits of his analysis are - and there are very definite limits despite the sweeping title of the article. Secondly, his criteria for excluding various novels from consideration are either irrelevant for his purported aims or inconsistently applied. Thirdly, his claim that 'The Upright Man Too Good for the Dirty Game of Politics' is the main theme running through Australian political novels is a distortion, both because he leaves out as many political novels which do not have this as their main theme, and because this interpretation of the novels he does examine does not fit some of them as neatly as he suggests it does.⁶¹

On the whole this criticism is justified. Encel does use rather strange criteria of classification, and these are inconsistently applied. For example, he eliminates Frank Hardy's *Power Without Glory* from

58. Sol Encel, "Political Novels in Australia", *Historical Studies of Australia and New Zealand*, Vol.7 (1955-57), No.27, p. 304.

59. *ibid.*, pp. 307-309.

60. Sue Wills, "Encel on Australian Political Novels: A Distorted Vision", *Australian Journal of Politics and History*, Vol 19 (1973), No.2, pp. 194-199.

61. *ibid.*, pp. 194-195.

the entire classification, on the grounds that its political content "is mostly incidental to the broad picture of graft, corruption, and general sinfulness"⁶² - as if graft and corruption were *not* political phenomena, but related to politics in only an incidental fashion.

The most important of Wills' criticisms for our purposes, however, is the third - her claim that Encel has overstated the predominance in Australian political writing of the theme of "The Upright Man Too Good for the Dirty Game of Politics". It is certainly true that since 1956 two other important themes have become evident. Firstly, a number of novels have been written which are less concerned with the impact of the "Dirty Game of Politics" on a person's political morals than with its impact on his ideological principles. Wills discusses this in consideration of the theme of the "sell-out",⁶³ which Encel had earlier noted as an important theme in British political fiction, but which was virtually untouched in Australia.⁶⁴ Secondly, there have been a number of novels which attempt to point up their authors' fears that Australian democracy is so insecurely based that a devious political operator (or operators) with a talent for manipulating public emotion could sweep it away with little resistance. Rowe's *McCabe, P.M.* is the most obvious example of this type of novel. So one must at least own that there are other political themes which preoccupy Australian political fictionalists to the same extent as corruption. It would be wrong, however, to conclude, on the basis of Wills' third criticism, that corruption is not a major

62. Political Novels in Australia, *op.cit.*, p. 307.

63. Wills, *op.cit.*, p. 195.

64. Political Novels in Australia, *op.cit.*, p. 313.

theme in Australian political novels,⁶⁵ and in fact, along with the two abovementioned themes, it remains one of the three major pre-occupations of novelists who adopt a political theme. Encel claimed of the Upright Man Too Good for the Dirty Game of Politics:

After attaining office, he is constrained to surrender it with his great aims unfulfilled, either cut down by some cruel blow of fate or alienated by a growing distaste for the sordidness of parliamentary intrigue, or by a combination of both.⁶⁶

According to Wills, however:

The cruel blow of fate appears to have little to do with the sordidness of politics and in several of the novels he examined, what parliamentary intrigue there was does not appear to have been terribly distasteful.⁶⁷

Even if Wills' criticism of Encel is accepted, our case is in no way weakened, for even though it may well be that the actual relationship between the political demise of the "hero" and the political environment in which he exists is not always as immediate as Encel suggests, the overall picture of Australian politics which these novels portray is still one in which skulduggery abounds and moral principle has little place. An outstanding example of this picture of Australian political life is Ada Holman's *Sport of the Gods*, which Wills uses as an example of Encel's misinterpretation. She states, correctly, that the central figure of the novel, Ivo Kimber,

... was not forced to act unworthily by the exigencies of the political game.... He acted unworthily before he entered politics, and was persuaded to act worthily by another, once he was in politics. There was nothing 'dirty' about the game of politics to force Kimber to quit it.⁶⁸

65. This is not, of course, what Wills is strictly arguing: it is a consideration which lies outside the immediate concern of her article, i.e., to expose the inadequacies of Encel's categorization.

66. *ibid.*, p.304.

67. Wills, *op.cit.*, p.197.

68. *ibid.*, p.197.

Yet the picture of politics painted by Mrs. Holman, wife of controversial New South Wales Premier, W.A. Holman, whose turbulent career was characterized by recurrent periods of political intrigue and personal bitterness,⁶⁹ is one in which political alliances shift treacherously, and the business of obtaining and holding power requires more than a normal degree of ruthlessness. The following extract from Don Whittington's novel, *Treasure Upon the Earth*, perfectly sums up the typical attitude of the Australian novelist to politics:

O'Connor smiled coldly. 'Journalistic ethics are even more obscure than political ethics, but apparently they do exist. I've never found them yet in politics, have you?'⁷⁰

Australian political folklore then, has the corrupt politician and the corrupt nature of political activity very much at its centre. It would seem appropriate, before leaving this topic, to acknowledge the central importance of John Wren in the context of political folk history. Insofar as any post-Federation figure has attained the status of "legend" in Australian political life, it is surely John Wren, the Melbourne businessman and political schemer whose name has, rightly or wrongly, become synonymous with corruption in Australia. Niall Brennan writes:

... the legend of Wren is enormous. Everywhere one seeks, as far back as can be recalled, the name of Wren conjures up a shadowy, fearsome symbol of political power. People speak of him still today with awe. He was associated at the level of gossip with "manipulation of politicians", with "being in everything", with "corrupting everything he touched ..." and so on. "If Wren was in it, it was bound to be crooked", was a statement made to me by half a dozen old raconteurs..."⁷¹

69. See Evatt's biography of Holman, *op.cit.*

70. Don Whittington, *Treasure Upon the Earth* (Melbourne:1957), p. 141.

71. Brennan, *op.cit.*, pp. 146-147.

The legend of John Wren gained added impetus with the publication in 1950 of Frank Hardy's *Power Without Glory*, a novel fictionalizing the person of Wren, and portraying him as the wielder of enormous corrupt power. According to Hardy's portrayal, Wren controlled the Victorian branch of the A.L.P. for almost fifty years, and at times also had considerable influence in the Country Party in Victoria, and the Federal and Queensland Labor Parties, all of which he used to further his many and varied business interests, principally in the fields of gambling and organized sport. In Hardy's novel Wren's net was so widespread that it snared some of the A.L.P.'s most outstanding figures, including the controversial E.G. Theodore, and one of the A.L.P.'s most eminent socialist theorists, Frank Austey.

If Wren's novel is held to be a faithful reflection of reality, then there can be no doubt that corruption is (or was) the major determining variable in Australian politics during the years in which the Wren machine flourished. Yet controversy rages over how much of Hardy's novel is fiction and how much fact. Encel seems to have concluded that it was a reasonably accurate portrayal of actual people and events, for he states that its "claims to be regarded as a novel are disputable".⁷² Yet Hardy himself claimed that a large percentage of the book was fiction. In his account of his prosecution on a charge of criminal libel, he maintained that the central characters, including that of John West/John Wren, combined elements of pure fiction and certain factual characteristics of the individuals concerned.⁷³ On the other hand, however, he seems to suggest that the

72. Political Novels in Australia, *op.cit.*, p. 307.

73. Frank Hardy, *The Hard Way* (Hawthorn, Vic.: 1961), pp. 116-119. He wrote (p.116):

The characters portrayed were of three types. First, real
(contd.)

actual practices attributed to West/Wren were very largely factual.⁷⁴ To further confuse the picture, critics of Hardy, such as Brennan, maintain that *Power Without Glory* is purely a work of fiction, and that most of the so-called fact was the product of Hardy's crusading imagination. Brennan claims that Wren occasionally attempted to

people (nothing added, nothing taken away) like Tom Mann, Billy Hughes, etc. Secondly, composite-fictional characters based on real people like John West (John Wren), Red-Ted Thurgood (E.G. Theodore), Archbishop Maione (Archbishop Mannix of Melbourne). Thirdly, fictitious characters, based on observations of human types and brought into association with John West to help build the story...

74. He wrote, as if confident that the actual accusations levelled against Wren would stand up to scrutiny in a court of law:

I fumbled for the words of a speech I had been trying to memorize, to throw in if the opportunity presented itself. What about the social and literary aspects.... The literature of every country must have books portraying the rise to power and insidious influence of men like West Violence in the police force ... corruption in Parliament ... democracy is perverted to the use of powerful men! The interests of the common people are trampled underfoot Why aren't Wren and his hirelings on trial here?

(*ibid.*, p. 228.)

In fact, Hardy and his supporters felt that the grounds on which the prosecution was launched virtually amounted to a tacit admission that the charges of corruption and other forms of malpractice were soundly based:

To his great surprise he found that no charge of libel against Wren was being laid. Instead, a comparatively minor point was brought up. At one point in the book he had shown Mrs. West, frustrated by a loveless life, turning to another man; and he was now accused of libelling Mrs. Wren. Not a word was said of the multiple criminal activities he had depicted Wren as engaged in.... Defending counsel pointed out that Mrs. West could be identified in the book with Mrs. Wren solely because she was represented as the wife of West-Wren. The prosecution's case therefore rested in the last resort on the extent to which West could be seen as Wren. So the defending counsel took up incident after incident from the book in which West-Wren was shown as carrying on in a criminal way: rigged pigeon-races, bribery of the police, rigged sports-results of all sorts, corrupt political activities, the murder of a detective and two other murders. If the prosecution insisted that Mrs. Wren could be recognised because West was recognisably Wren, why had the charges been taken out against Hardy for libel of Wren?

[Jack Lindsay's "Introduction" to *Power Without Glory* (London: 1962), pp. 17-18.]

exercise his power corruptly, notably in his attempt to prevent the election of Maurice Blackburn to the Victorian House of Assembly,⁷⁵ and that he had many friends in the A.L.P. and the Victorian Parliament. Yet, claims Brennan, the influence of Wren in no way amounted to an all-pervading corrupt domination of Victorian politics, and his attempts to influence the outcome of political issues were frequently unsuccessful.⁷⁶

Without making one's own protracted historical investigation, it is impossible to say how much of the Wren legend is fact and how much myth; whether much of Australian politics prior to 1950 revolved around a system of corruption at the centre of which stood John Wren, or whether the activities of Wren were simply those of a powerful but normal pressure group, which occasionally attempted to corruptly intercede in political matters, not always with success. This is somewhat unfortunate, for the years of Wren's supposed political activities, and the number of political forums to which they supposedly extended (i.e., the three most populous states, federal politics, and Victorian local government, and covering a period of almost half a century) are such that to determine the degree of truth behind

75. Brennan, *op.cit.*, p.155. Blackburn was an eminent socialist theorist and propagandist.

76. Brennan writes of Wren:

As he grew in wealth and influence, his interests and activities became more predictable. Like any other big business man, he sought favours from Parliament and became, in his own right, a normal pressure group. His staple industries, gambling, trotting, boxing and wrestling, were all subject to varying degrees of parliamentary control. He sought, and was sometimes - not by any means always - able to obtain preferment from his friends within the Legislative chamber. This aspect of his 'power' has been grossly over-rated, because of the number of times he sought favours from Parliament and failed. The favours he sought, however, were normal enough in the light of his business operations. (*ibid.*, p.156.)

the Wren legend would take one a long way towards accurately assessing the prevalence and importance of corruption in Australian politics. As it is one can do no more than point to the regularity with which major scandals have occurred in Australia as evidence that there is at least a fairly substantial amount of corruption in Australian politics. Most observers would probably agree that Australia has more corruption than Britain, but less than the United States. Donald Horne probably speak for most:

There is corruption in Australian politics, but it is not possible to measure it. By the standards of most of the rest of the world (perhaps not those of Britain) politicians in Australia are relatively honest.⁷⁷

Not all agree of course,⁷⁸ but the tendency is for most opinion to concur with Horne's - that corruption occurs in Australia, but much less frequently than political folklore would suggest. In their Brisbane study, Western and Wilson found that people saw politicians as:

on the whole a fairly honest group (74 per cent strongly agree and agree), although, curiously, you can never really believe what politicians tell you (51 per cent strongly agree and agree). The complexity of the attitude which these response patterns suggest is striking.⁷⁹

while of parties:

slightly less than half agree that there is almost no corruption in Australian parties these days. This

77. Donald Horne, *The Lucky Country* (Ringwood, Vic.: 1964), p. 193.

78. For example, Ian Moffitt hazards the opinion of Australian politicians that "Bribery and corruption, of course, are often not necessary: Australian politicians sell out very cheaply." [Ian Moffitt, *The U-Jack Society: An Experience of Being Australian* (Sydney: 1972), p. 125.]

79. J.S. Western and P.R. Wilson, "Politics: Participation and Attitudes", in Henry Mayer and Helen Nelson (eds.), *Australian Politics: A Third Reader* (Melbourne: 1973), pp. 330-331.

is an interesting contrast to the 74 per cent who feel that politicians on the whole are a fairly honest group.⁸⁰

The relevant questions from Western and Wilson's survey are reproduced here as Table B. Table C contains the results of two questions from an extensive survey of political attitudes among Jaycees in the provincial Tasmanian city of Launceston, which was undertaken in 1973 by Stewart Sweeney and Garth I. Hunt. Table D contains the responses to comparable questions from the author's survey of attitudes to corruption among Tasmanians active in public affairs. The results are illuminating. The general pattern is in accordance with that outlined above - a belief that corruption certainly exists, is not exactly uncommon, but is not a major factor in Australian politics. A clear majority in the Hobart survey (58.24%) indicated a belief that corruption occurs "sometimes", though many more believed that it was a rare occurrence (32.97%) than a frequent one (6.59%). This finding is not too dissimilar from that of Western and Wilson, who found that 34% either agreed or strongly agreed that "there is almost no corruption in Australian political parties these days",⁸⁶ compared with 51% who disagreed or strongly disagreed with this statement. In Launceston 56.25% similarly disagreed.⁸⁷ The large "not sure" categories (13% from Brisbane and 23.96% from Launceston) are also significant, revealing the degree of difficulty felt by respondents

80. *ibid.*, p. 331.

86. On the other hand the findings of Sweeney and Hunt are noticeably out of true. They found only 18.75% willing to agree that there was little corruption in Australian political parties, which is only slightly over half the positive responses found in Hobart and Brisbane on this point.

87. When one considers the negative responses to the questions, therefore, it is noticeable that the Launceston survey slips back into the general pattern of correlation.

TABLE B.

Questions from the Brisbane survey of Western and Wilson (n=453)					
	Strongly Agree	Agree	Not Sure	Dis-agree	Strongly Dis-agree
	%	%	%	%	%
1. A lot of jokes are made about the corruption of politicians, but on the whole they are a fairly honest group. ⁸¹	3	71	9	13	3
2. You can never really believe what politicians tell you. ⁸²	7	44	9	37	3
3. Politics is a dirty game. ⁸³	8	34	6	44	5
4. It seems pretty clear that there is almost no corruption in Australian political parties these days. ⁸⁴	4	30	13	44	7

TABLE C.

Questions from the Launceston survey of Sweeney and Hunt (n=78) ⁸⁵						
	Strongly Agree	Agree	Not Sure	Dis-agree	Strongly Dis-agree	No Answer
	%	%	%	%	%	%
1. Do you agree that there is almost no corruption in Australian political parties?	2.00	16.67	23.96	42.71	13.54	1.04
2. Do you agree that there is almost no corruption in Tasmanian political parties?	2.56	2.56	20.51	38.46	23.08	12.83

81. *ibid.*, p. 330.82. *ibid.*, p. 330.83. *ibid.*, p. 331.84. *ibid.*, p. 332.

85. I am grateful to my former colleagues, Stewart Sweeney and Garth L. Hunt, for allowing their findings to be reproduced.

TABLE D.

Questions from the author's Hobart survey (n=91)

1. Do you believe that political corruption in Australia occurs?:

(i)	Frequently	..	6.59%
(ii)	sometimes	..	58.24%
(iii)	rarely	..	32.97%
(iv)	never	..	0.00%
(v)	no opinion	..	0.00%
	no answer	..	2.20%

2. "Politics is a 'dirty game' in which people become involved for what they can get out of it."

Do you consider this statement to be true of:

(i)	all men in politics	1.10%
(ii)	most (but not all) men in politics	8.80%
(iii)	many men in politics	19.78%
(iv)	a few men in politics	63.73%
(v)	none at all	3.29%
(vi)	no opinion	2.20%
	no answer	1.10%

3. In the course of your daily activities do you hear stories of corruption in high places which are never made public?

(i)	frequently	..	6.59%
(ii)	sometimes	..	67.03%
(iii)	never	..	24.18%
	no answer	..	2.20%

in trying to assess the frequency with which corruption occurs in Australia. Other tentative consistencies can be established. That 67.03% of Hobart respondents admitted to hearing unsubstantiated gossip of corruption in high places, while considerably more never heard such stories (24.18%) than frequently heard them (6.59%) is consistent with the above pattern, for example.

There is, however, one important discrepancy. In reference to the results of the first two questions reproduced in Table B, Western and Wilson state that the "complexity of the attitude which these response patterns suggest is striking". The apparent inconsistency in response to these two questions can be explained in several ways, the most obvious of which is that respondents expect to be lied to by politicians as a matter of course and do not see such behaviour as corruption. This possibility will be examined in detail later, though it is not thought likely that it satisfactorily accounts for the strange attitudinal discrepancy which these two sets of responses reveal.⁸⁸ A second possibility is that the large "agree" category in the first question has been obtained because the convoluted phrasing of the statement is such that it led respondents to believe

88. It will be argued that even though most respondents to the Hobart survey did not see the political lie as corruption, nor did they view it as an "honest" action (to use the operative adjective from the second clause of Western and Wilson's first proposition). If this is so it would seem that most people who agreed with the second statement would be likely to disagree with the first proposition by virtue of disagreement with its second clause - "on the whole they are a fairly honest group" -- even though there would be no contradiction between the second proposition and the assumptions behind the first clause of the first statement.

that this is the "right" response.⁸⁹ The statement is cumbersome, and probably could have been more simply phrased to eliminate its suggestive quality, but the difference in response to the two propositions is so "striking" (to use Western and Wilson's own phrase) that it is hard to see such a marginal factor as being solely responsible. A third explanation is that the difference is so "striking" for the simple reason that the "complexity" to which Western and Wilson refer is not a reflection of fine distinctions which respondents make between questions of political ethics, but rather the opposite - an inability to appreciate any contradiction in attitude; an inability stemming from a total unfamiliarity with questions of political morality. This is the answer which is preferred here, and one which shall be returned to later.

In any case, it needs to be pointed out that the findings of these surveys only give insight into how prevalent the public *thinks* corruption is in Australian politics, and there is nothing to suggest that the spontaneously-given opinions of members of the general public are likely to be any nearer the truth than an informed conclusion based on at least a degree of empirical research. What can be said, however, is that the corruption which does occur in Australia exhibits a number of obvious characteristics, and an examination of these traits may even render it possible to finally assess its prevalence with a greater measure of confidence than has thus far been possible.

89. The fourth of Western and Wilson's propositions here reproduced is also suggestive of a right answer - it leads respondents, it is argued, to believe that they are expected to choose one of the two affirmative categories. If this is so the slight difference (approx. 1%) between the two "almost no corruption" categories in question 1 of the Hobart survey (i.e., "rarely" and "never") and Western and Wilson's two "almost no corruption" categories ("Strongly agree" and "agree") might otherwise disappear entirely!

The first, and most obvious of these traits, is the central position of the Australian Labor Party in post-federation political corruption, which contrasts sharply with the nature of pre-1901 corruption.

The political novelists have portrayed corruption in the A.L.P. at length. Hardy describes the West/Wren sphere of political influence thus:

... John West was determined not to respect party barriers which he believed were more apparent than real: he had added quite a few Country Party and Nationalist politicians to the ranks of the West men. [But] the basis of his political power was the Labor party.... None knew better than he the machinations of the Party.⁹⁰

Don Whittington also focuses his attention on nefarious activity within the A.L.P. His novel, *Treasure Upon the Earth*, has, as its central character, a ruthlessly ambitious young working-class lawyer who claws his way to the top of the A.L.P. via a succession of dirty tricks. Both Hardy and Whittington devote considerable space to detailing these corrupt practices. Hardy portrays West/Wren buying off politicians with over-generous electoral assistance and using "thugs and hangers-on" to help secure the election of his men through intimidation of electors or opponents. It was in "pre-selection ballots for safe Labor seats" that corruption was most rife. Hardy describes the procedures thus:

The Labor Party constitution allowed union members to vote in pre-selection ballots whether they were party members or not. This provision was exploited by the West men to their own ends. Union membership cards were obtained.... Votes were then cast in the names of absent union members, living or dead. If this precaution failed the ballot box was, if the opportunity arose, stuffed, as Sugar Renfrey termed

90. Power Without Glory, *op.cit.*, p. 392.

it. This entailed the addition of as many bodger votes as possible.⁹¹

Nor can these practices be solely attributed to the fertile imagination of the novelist, for insofar as any aspect of political corruption in Australia has received detailed attention, it is the scheming and corrupt manipulations within the A.L.P. and the trade union movement. Robert Cooksey, for example, has described the manoeuvring and misrepresentation which took place in the bitter struggle between the Socialisation Units and the Lang Inner Group for control of the New South Wales Labor Party in the early 1930s,⁹² and Robert Murray has performed a similar service for the trying times of the decade prior to the Labor Party split in 1955-56.⁹³ It is

91. *ibid.*, p.393.

92. Robert Cooksey, *Lang and Socialism* (Canberra: 1971).

93. Robert Murray, *The Split* (Melbourne: 1970). Murray writes: The communists rigged ballots (if the findings of half a dozen Australian judges are to be believed); they shamelessly smeared their opponents and ran ruthless "wars of nerves" against them; they lied; they were often physically violent. (p.24).

Not that communists had things all their own way in the dirty tricks department. Their opponents in the Industrial Groups and Catholic Social Studies Movement were similarly ruthless according to Paul Ormonde. He states:

Apart from branch-packing, many people have alleged that Movement members often voted in unions of which they were not members. There is some evidence of this in New South Wales, though I have not heard of any instances in Victoria or any other state. A Sydney priest told me that his two brothers resigned from the Movement after they had been encouraged by their parish Movement cell to attend meetings of Unions of which they were not members. The cell issued them with false union tickets.

[Paul Ormonde, *The Movement* (Melbourne: 1972), p. 37.]

Ormonde also makes some interesting observations in connection with "branch-packing":

"I remember challenging one kid who was a fitter and turner," he [a branch-member interviewed by Ormonde] said. "In his application to join he had put down his union as Clerks' Union. In fact, under questioning, we found that he was not a member of any union - that his sponsors had told him to put down Clerks' Union." A Labor Party rule stipulated that all

(contd.)

even conceded by Niall Brennan that John Wren, though not the villain painted by Hardy, was certainly deeply involved in manipulations of dubious morality within the Labor Party. Brennan has, in fact, written extensively on the manifold ways of exerting corrupt influence within the A.L.P. He supplies the following examples:

Many people have registered a vote in a Labor pre-selection without even knowing that there was an election being held. One man, equipped as I once saw him with twenty various pens and pencils in his pocket, another pocket stuffed with Union Cards and his vest pocket containing an extract from the membership rolls, could account for two hundred votes in a single day of steady voting. Multiply this by ten, and a small team can swing two thousand votes behind a candidate. Wren was not the only one to do this ... but with his vast wealth, and his small army of personal aides and contact men, Wren could do it on such a big scale that inevitably it looked as if the whole idea had been his to begin with. There was one prominent banking official, whose job required abstention from political activity, who found to his horror that he was the president of a local A.L.P. branch and that he had been "voting" for years past. There was another member who held union tickets in his own right - not that he was an employee in any of these trades, but he had actually joined the unions with no questions being asked. There was one branch of the A.L.P. which I knew of, which simply did not exist. There were membership rolls, office bearers, all subscriptions were paid up, and accurate books of accounts were kept; it was worth two or three hundred votes to the two or three men who owned it.⁹⁴

members eligible to be in unions had to join the union covering their occupation.

(*ibid.*, pp. 36-37.)

94. Brennan, *op.cit.*, p.150. A similar description comes from Irwin Young, who writes thus about the pre-selection battle for the New South Wales federal seat of West Sydney, when the sitting member, W. Lambert, lost endorsement for the 1928 Federal elections:

... a select group from Sydney Trades Hall organised the ballots in a manner which made ballot boxes with sliding panels appear amateurish. Young girls voted; some voters voted up to twelve times; officials outside the booths reminded voters of the names that they were impersonating; signatures were practised outside some booths; and voters travelled from place to place by car. Many supporters of

(contd.)

Nor is it necessary to rely on the evidence of historians and other observers of Labor Party affairs, for certain instances of corruption within the Party developed into major political scandals, resulted in court cases, and are widely remembered today. The balloting scandals in New South Wales in the 1920s, when A.W.U. officers⁹⁵ supposedly used sliding panels to add extra votes to pre-selection ballots, is one such well-known instance. Another concerns the 1943 Federated Ironworkers' Association ballot, which was found to have been rigged in favour of Ernest Thornton, a communist, against Lawrence Short, a member of the Industrial Groups.

The question arises: why should corruption be a notably more familiar feature of intra-A.L.P. politics in the period since federation than of politics within the non-Labor parties? A number of observers have supplied answers to this question. McQueen sees the

Beasley wore special pins in the lapels of their coats and this allowed them to vote unchallenged. Long before polling day some unions made lists of members entitled to vote available to Beasley supporters only.

(Young, *op.cit.*, p. 81.)

95. The Australian Workers' Union probably has a worse reputation for corruption than any other Australian union. See V.G. Childs, *How Labour Governs* (Melbourne: 1964), pp. 67, 70, 172 and 175-176, for an account of corrupt practices involving the A.W.U. in the early decades of federation. Young also makes some interesting observations (*op.cit.*, pp. 52-56). Of relations between the unfortunate P.E. Coleman, M.H.R., and the A.W.U., he states: The N.S.W. members of the A.W.U. made no secret of their dislike for Coleman, whom they blamed for revealing the existence of the ballot boxes with sliding panels. The N.S.W. A.W.U. tended to regard the revelation of the ballot boxes, not as the culmination of a long period of questionable political methods by a section of the Union, but as the beginning of a chain reaction which led to a decline in its political influence. From 1924 onwards, Coleman was a marked man...

(*ibid.*, p. 82.)

tempting attractions of parliamentary office as too much for many working class men, faced with no other prospects of financial success in life, to resist:

For many Labor politicians a political career offered perhaps the only chance they had of escaping from a situation which was well below their capabilities and which only the lack of formal education bound them to. Upward social mobility for the self-educated became possible in Trades Union and Labor Party affairs.⁹⁶

Labor idealism was a factor contributing to this state of affairs.

It was natural that corruption would occur when the dazzle of personal ambition conflicted with the high ideals which the A.L.P. had set itself. This, at least, is the view of Brennan, who argues that the non-Labor parties, by contrast, are relatively free from corruption because there is precisely no lofty vision to come into conflict with private ambition.⁹⁷ McQueen, less favourably disposed towards the

96. Humphrey McQueen, *A New Britannia* (Ringwood, Vic.: 1970), p.231. Encel concurs:

The problem of corruption arises partly because many active politicians have, under Australian conditions, little source of income other than their parliamentary salaries.... For a Labor man, moreover, a political career is liable to become his only profession, and there is evidence that Labor men can be tempted successfully by monetary offers.

(Cabinet Government in Australia, *op.cit.*, p. 141.)

97. Brennan, *op.cit.*, p. 133. He writes:

The Australian Labor Party was ... the victim of ... interior tensions. It would be too easy to say that it was corrupt. It would be more just to say that it contained within its ranks many corrupt men. Again, this is the problem of a workers' party or a party devoted to the advancement of the poor. Corruption only enters politics when a man or a party devoted to an ideal is diverted from that ideal to the attainment of a greedy goal. This problem does not arise among men where self-interest ... is the formal programme. Where men arrange politics to suit their own interests to begin with, it is difficult to accuse them of corruption.

A.L.P. than Brennan, sees the party itself contributing to this position, by being willing to sell out its ideals for the sake of gaining office. If the party as such is willing to compromise its principles for personal gain, how can it possibly expect individuals within it not to do likewise? He writes:

Labor is not inherently corrupt. What the evidence shows is simply that a Labor party which has no perspective beyond gaining power is highly susceptible to corrupt practices ... for significant periods corrupt practices were the norm and to ignore them, as Crisp does, is to pass over an important manifestation of Laborism's immanent weaknesses.⁹⁸

Though the explanations of both McQueen and Brennan are manifestations of extremely partisan viewpoints, they do contain a degree of truth, though the picture of ambitious men from the working class using the Labor Party and parliament as a means of breaking clear of class impediments to ambition is obviously less true now than it may have been before the various parliamentary Labor parties became so heavily infused with professional men. Nonetheless the A.L.P. does have a crusading zeal, and an ideology aimed at restructuring society in an egalitarian direction, and it seems fairly obvious that more tension is likely to be generated between these ideals and the comfortable personal circumstances which their proponents in Parliament are able to achieve under the existing set-up, than is the case in those parties which hold that in essence the status quo is to be preferred to all other systems. There is not likely to be any need to examine one's conscience for justification of one's personal affluence in the latter case, for it is in the

98. McQueen, *op.cit.*, pp. 232-233.

opportunities which the existing system provides to maximize one's chances in this direction that the superiority of the status quo is to be found.

Yet this is a relatively minor factor in accounting for corruption in the A.L.P. The ideological nature of the A.L.P. is important, but in a quite different way. Firstly, the fact that the A.L.P. is a much more ideologically intense party than the other Australian parties, yet containing, at the same time, an ample range of ideological diversity, renders the stake at risk in intra-party disputation seem so much more important. The A.L.P. consists of a confused conglomeration of ideological opinions, and in many cases the differences between them are more striking than the factors which they hold in common. Irish Catholics confront Marx-Leninists, who in turn confront every variety of socialist thinker through Marxist humanists, utopians and fabians, to welfare-oriented pragmatists and technocrats. Intellectuals confront manual labourers. Radical conservationists confront those who hold the view that as industry equals jobs it is to be welcomed under all circumstances. Non-conformist moral puritans confront liberal permissives. And so on. To capture control of the party or to get your man "in"⁹⁹ becomes much more fundamentally

99. It is in the process of pre-selection of party candidates for legislative office that ideological opposition becomes most frenetic and corruption becomes most prevalent. Brennan writes: Within the party, the "pre-selection" is the most active and bitterly-fought ballot. There may be a score of men anxious to win Labor endorsement for a safe Labor seat. Once they have won the pre-selection their troubles are over, for the seat is safe and the whole party is pledged to work for them. But the pre-selection is an open slather for all.

(Brennan, *op.cit.*, p.148.)

Abuses at the stage of pre-selection were facilitated by A.L.P. procedures. Some state branches had constitutions which allowed union members to vote in pre-selection ballots regardless of whether they were actually party members, or even party

(contd.)

important, under these circumstances, than the mere clash of personal ambitions could ever make it. Small wonder that in the many faction fights which take place in the A.L.P., many see the situation as sufficiently desperate to warrant the occasional dirty trick.

This tendency is greatly facilitated by a major A.L.P. organizational tenet, which again is ideologically based - the belief that the party representatives are subordinate to the party rank-and-file, which is to be the real seat of policy-making. This philosophy gives added incentive for ideological opposites to strive to control the numbers within the party itself, for clearly what happens within the extra-parliamentary Labor party is so much more important than it is in the non-Labor parties, where the parliamentary wing is clearly superior. Moreover, when one's background in politics is an ethos which places considerable value on "getting out the numbers", to which end morally questionable practices are frequently applied, there is every chance that the lessons learnt in this environment will not be forgotten if and when one finally attains parliamentary office. It is in this respect that the explanations of McQueen and Brennan may have current applicability.

There is, finally, one further interpretation which is of interest. According to J.D. Pringle, there is a close connection between corruption in the A.L.P. and corruption in state politics,

sympathisers. This was the case in Victoria during the years of Wren's influence. Brennan writes:

With so many branch members entitled to vote, and so many eligible trade unionists whose vote depended only on the production of their union card, the question of candidate was only a matter of tactics.

(*ibid.*, p. 150.) Many of these "tactics" included falsifying of votes along the lines described earlier (see pp. 246-249).

where the A.L.P. has traditionally enjoyed much greater electoral success than it has managed to achieve at the federal level. Most Labor men cut their political teeth in state politics, and a drift of powers away to the Federal Government, he argues, has left many state parliamentarians with little to do but get up to mischief.¹⁰⁰ This state of affairs is "morally corrupting",¹⁰¹ for:

the kind of Labour politician produced by such a situation ... is more often a tough, shrewed opportunist, a master of the more disreputable political arts.... More often than not he regards Federal politics as an unpredictable nuisance which may, if not watched carefully, upset his comfortable existence.¹⁰²

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100. It is worth quoting Pringle's explanation at length:
 One of these [i.e., disabilities which do not affect the British Labour Party] is what may be called the corruption of state politics. The Australian Labour Party, like all Australian political parties, is organized primarily on a state level and only secondarily at the national level. But in the states, where most Labour men learn their politics, its interests tend to be quite different. For one thing, it has become more often than not the party in office and therefore the party of administration. A Labour Government has ruled Tasmania for twenty-two years, New South Wales for sixteen years, and, until the recent reverses in 1957, Queensland for twenty-five years This would not be quite so serious if at the same time the state governments had not declined greatly in importance, chiefly as a result of uniform taxation which took away from the states the right to levy income-tax. As a result the states, deprived of their power to raise revenue, have become ... indigent and irresponsible satellites whose chief role is to distribute the money raised by the Federal Government. In these circumstances the State Labour Governments could have done very little even if they had wanted to. Instead, they have had to be content to drift along, keeping the unions sweet with small but extravagant concessions, handing out jobs and sinecures to Labour stalwarts with the complacency of eighteenth-century governments in England, their one aim to stay in office...

[J.D. Pringle, *Australian Accent* (London: 1958), p.51.]

101. *ibid.*, p. 52.

102. *ibid.*, p. 52.

So Pringle sees corruption in the A.L.P. as a direct consequence of Labor domination of state politics,¹⁰³ which is the tier of the Australian federal system where most corruption is to be found. Pringle is not the only observer to identify state politics as the "seat" of most Australian corruption. McQueen¹⁰⁴ and Encel¹⁰⁵ note it, and so does Brennan, who writes:

It is an axiom of politics that he who seeks to feather his nest does better in lesser politics than in greater. There is therefore more downright corruption, nepotism, and graft at the municipal level than at the Federal. To make money out of Federal politics, one has to be of a stature of almost international crookedness. The area of operations is too vast for the small guy. In local politics, however, the small guy is at home. In Australia, there stands between these two, the State legislature; and here there was more to interest Wren than there was in Federal politics.¹⁰⁶

Hardy and Brennan strike one of their few points of agreement on this matter, for Hardy also portrays West/Wren as exercising corrupt power at municipal and state levels primarily (though he does describe some connections between West and federal politics). It is noteworthy that Pringle says nothing of municipal corruption, though this is probably of no great significance, for he is attempting to account for corruption in the A.L.P., which is primarily geared to fighting elections at state and federal levels, and has only a

103. Pringle's view of state politics as historically dominated by the Labor Party is a dubious one. Moreover, even if this was still the case in 1958 (when Pringle wrote), electoral events in the last decade and a half suggest that this is no longer the normal state of affairs.

104. McQueen, *op.cit.*, p. 231.

105. Cabinet Government in Australia, *op.cit.*, p. 145.

106. Brennan, *op.cit.*, pp. 175-176.

secondary interest in local government.¹⁰⁷ It is also of interest that Pringle's view of corruption as much more prevalent in state than federal politics was an opinion not generally shared by respondents to the Hobart survey. While the category of respondents who identified local government as the level with the most corruption was larger than those choosing federal or state government, an absolute majority of respondents nevertheless held that "there is no reason to suppose that corruption is more widespread at one level than another. Furthermore, respondents were more prepared to opt for federal politics as containing more corruption than for state politics. These findings are reproduced in Table E.

TABLE E.

Question: Insofar as corruption might occur in Australia, do you believe it is more likely to appear at:	
(i) Federal government level	10.99%
(ii) State government level	9.89%
(iii) Local government level	24.17%
or that:	
(iv) There is no reason to suppose that corruption is more widespread at one level than another,	51.65%
(v) no opinion	2.20%
No answer	1.10%

107. Not that this interest has not been of immense significance from the perspective of local government. The A.L.P.'s involvement in local government in Sydney, Melbourne and Brisbane is possibly the most fundamental feature of the history of local government in these cities. But from the perspective of the party itself, success at the level of local government is not accorded anywhere near the same priority as success in state and federal politics. In Tasmania the Labor Party has not even entered the arena of municipal politics.

Not too much credence should be placed in these figures. For one reason, the results are likely to be coloured by contemporary political circumstances, and a number of alleged instances of corruption at one level following in close succession is likely to inflate the rating accorded that particular level, for these will be the events which respondents are most likely to consider in making up their minds. Yet contemporary events may not reflect long-term trends in the least. More importantly, there are features of the federal system which strongly suggest that corruption *should* be more prevalent below federal level, and the fact that those who have taken the trouble to look closely at corruption in Australia concur that this is in fact the case, inclines me to the view that the response to this question tells us more about the typical level of thinking about corruption than it does about where corruption is most likely to be found in the Australian political system.¹⁰⁸ That the nature of the federal system is, as Brennan maintains, likely to result in more corruption at state and municipal levels seems indisputable. Nor is this solely the consequence of a growing out of phase of the different federalist levels, which Pringle suggests. The nature of the constitutional division of powers in Australia is such that those governmental functions which are most typically associated with corruption - control of land use and alienation, gambling and entertainment - are largely the prerogatives of state and local governments. The national scope of federal decision-making puts influence-peddling at this level beyond the reach of most operators. Furthermore,

108. This is not to argue that a survey is not a worthwhile project in attempting to ascertain *what* activities are considered corrupt. It is to argue that the survey is an inappropriate technique for assessing the *degree* of corruption in any political system.

the feature most generally claimed as the major strength of state government, its lack of remoteness from the electorate, is also likely to be a major contributing factor to corruption at this level. This is particularly true of the smaller states, where the closeness of government to people de-formalizes administration and substitutes protocol and bureaucratic rationality for personalized patron-client administration. Such a development is likely to lead to an increase in corruption simply because the down-grading of established protocol and rationalistic bureaucratic procedures is the down-grading of important buttresses against corruption. Such procedures are specifically designed to ensure scrupulous honesty in dealings between the public and public officials. It has already been noted¹⁰⁹ that at least one of the five post-war corruption scandals in Tasmania is directly attributable to the growth of a patron-client administrative relationship.

Two other characteristics of post-Federation Australian corruption also need to be noted. In the early years of the twentieth century, as was noted earlier, the focus of corruption shifted partly from land to include gambling and entertainment connected with gambling. These were the principle business concerns of John Wren, for example. It is also noteworthy that of the five major post-1945 instance of alleged corruption in Tasmania,¹¹⁰ three¹¹¹ involved

109. See p. 200.

110. The first four of these have been examined in chapter 7, in connection with the analysis of the electoral consequences of corruption. The fifth will be discussed in some detail in the following chapter.

111. Significantly, the other two - the case of D'Alton and the sawmillers in 1945 and the Department of Land and British Tobacco in 1971 - were concerned with land policy.

connections between gambling interests and politicians. Bookmakers were held to have been a major source of contributions to the A.L.P.'s "secret fund" in 1947, the principals in the 1958 incident were a cabinet minister and an individual seeking a licence to operate a lottery, and in the 1973-74 controversy bookmakers and Federal Hotel's Wrest Point casino were alleged to have been the sources which supplied the money which was used to buy off the Deputy-Premier, Mr. K.O. Lyons. Secondly, corruption in Australia typically (though of course not always) involves colourful political personalities, whose popular fame (or notoriety) pre-dates the charge of corruption in which they are involved. E.G. Theodore, who was the central figure in the seat-buying Royal Commission in 1928 and the 1930 Mungana affair remains one of the most intriguing and controversial figures in Australian political history. Apart from these two instances, the most sensational incident of alleged political corruption in federal politics concerned E.J. (Eddie) Ward, Minister of State for External Territories, and J.S. Garden, employee of Ward and former M.H.R.. Ward and Garden were involved in an alleged timber fraud in New Guinea.¹¹² A supporter of Lang in his early years, Ward is regarded as one of the "characters" of federal politics. He was uncategorically

112. The allegations broke early in 1948, and concern events which purported took place in 1944 and 1945. It was held that a number of individuals, including Garden, had defrauded a timber company by selling them exclusive rights to 17,000 acres of heavily timbered land in the Bulolo Valley. The "appropriate authority" who had sanctioned the transaction was alleged to have been the Minister, E.J. Ward. The lease simply did not exist. Garden also alleged that Ward had been induced to make the grant on promise of 20 per cent of the purchase moneys arising from the sale, and that part of the sum was duly paid with a promise that the balance of £15,000, would be forthcoming when a licence to commence operations was received. Garden's son figured in the transaction as a dummy for the Minister, it was held.

cleared of the allegations,¹¹³ but not so Garden, who was found to be a leading principal to the fraud.¹¹⁴ Though less well known than Ward, Garden also qualifies as one of the more extraordinary personalities from Australian political history. His role in New South Wales A.L.P. politics in the inter-war years is an intriguing one and is deserving of much greater attention than it has been accorded by political historians.¹¹⁵ He was a man of extraordinary political acumen and considerable ideological flexibility,¹¹⁶ in the

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113. The Report of Mr. Justice Ligertwood, the Commissioner, states:
I should say a word as to the evidence relating to the Minister's financial integrity. Every witness who had personal knowledge of him, spoke most highly of his standing in this respect.... Perhaps the best testimonial to the Minister's integrity in financial matters is to be found in the fact that throughout the whole of the year 1948 continuous efforts were made to unearth material which might be used to destroy his credit. It was of no avail.
(Report of the Royal Commission to Inquire into Certain Transactions in Relation to Timber Rights in the Territory of Papua-New Guinea, 24 June, 1949, *Commonwealth of Australia, Parliamentary papers*, Session 1948-49, Vol. 4, p.1158.)
114. The Commissioner reported:
The transaction embodied in the two Deeds was a bare faced fraud, practised by Farrell and J.S. Garden upon Hancock & Gore Limited, in which, by false pretences, they induced Hancock & Gore Limited to purchase a non-existence timber concession, and to pay them £50,000 on account of the purchase money.
(*ibid.*, p. 1156.)
115. Robert Cooksey writes that: "Garden was an efficient organiser, expert at getting out the numbers, and a good orator, who could sense the feeling of a crowd (*op.cit.*, p.16). Elsewhere Cooksey refers to Garden as Lang's "floor manager" at New South Wales A.L.P. conferences (*ibid.*, p. 44), where the Inner Group was locked in bitter struggle with the Socialization Units and Theodore forces for control of the party.
116. Before Garden became right-hand man for the staunchly anti-communist Lang, he had, in 1919, formed the Communist Party in Australia (a fact which alone should entitle him to greater academic attention), and in 1922 was elected a member of the World Executive of the Communist Party. Prior to that he had been a clergyman of the Evangelist Church of Christ, and reportedly clung to his religious beliefs even while an active communist. At the time of the New Guinea timber scandal he had also achieved success in business, being a part-owner of a moderately prosperous newspaper.

true mold of the political "maverick" of Australian history. Turning briefly to the post-war accusations of corruption in Tasmania one sees the same sort of picture. Both Dr. Turnbull and Mr. Lyons, central figures in two of the five incidents, were political loners, each carving controversial careers in which a penchant for wilful (many would say irresponsible) individualistic action was strongly evident, while Tom D'Alton and Merv. Everett¹¹⁷ are two of the more colourful personalities to have graced the Labor benches in State Parliament during this period.

It is not difficult to suggest why this should be the case. Politically independent, abrasive personalities and men of originality and extraordinary capacities, are all likely to attract more than their share of enmity and are accordingly more likely to be targets of malicious accusations of corruption. This was almost certainly the case with Theodore, for example. As mentioned earlier,¹¹⁸ most historians tend to agree that the purpose of the Mungana affair was "to discredit Theodore and remove him from the Labor Party and public life"¹¹⁹; that it:

had been brought forward by his political enemies at a time of great economic danger to Australia, when this man ... was regarded by the Labor movement as the one man with the capacity to save the nation from economic disaster. Even many of Theodore's opponents ... did not attempt to conceal their sympathy for him and their contempt for the means used

117. Later Senator Everett. See the discussion of this, the fifth corruption scandal in post-war Tasmanian politics, in the following chapter.

118. See pp. 202-205.

119. Frank Green, *Servant of the House* (Melbourne: 1969), p.85.

to destroy him.¹²⁰

In retrospect, the seat-buying charge seems even more preposterous. Although it was held at the time that the allegations, if true, amounted to bribery, several observers have since pointed out that it was an extremely common and quite open practice to offer an inducement to a sitting member to give up his seat to make way for someone else. Frank Green writes:

To speak of a member selling his seat sounds sinister, but it differs very little from the practice of a member, on the promise of an official government appointment, resigning in order to make way for somebody else; for example, the case of Sir Granville Ryrie resigning his seat of Warringah to become High Commissioner for Australia in London to create a vacancy allowing Archdale Parkhill to enter the House.... Anstey ... reminded the Commissioner of the Ready-Earle case, when Hughes, in 1917, lacking a majority in the Senate, arranged for Labor senator Rudolph Keith Ready to resign one afternoon and to be replaced next day, with the assistance of the Premier of Tasmania, by a new Nationalist senator, John Earle, a Hughes supporter. The award and reward for that resignation was well known.¹²¹

120. *ibid.*, p.85. This is also the view of Young, *op.cit.*, pp.63-67, 115-121, and 142-145, and Brennan, *op.cit.*, who states: "Few historians seem to be under any illusions about the purpose of the Commission. It was to destroy Theodore." (p.172).

121. Green, *op.cit.*, pp.74-75. Brennan agrees. He says of the offer to William Mahoney, M.H.R.:
... the hard word was put on him to "move" out and leave his seat vacant for a man who was needed. He did so; but not without his reward. What he did has been done in every party and in every sort of Parliament. He was offered an inducement and he accepted it. Some men have moved out of Parliament with the promise of high appointments of state; others have been offered parcels of shares or a directorate here and there. The manner of the inducement may vary, and it was a tragedy of tactics that the inducement offered to Mahoney was something as bluntly simple as a cheque for £5,000.
(Brennan, *op.cit.*, p. 163.)

A similar sentiment was expressed by Gerald Stone who concluded ABC TV's dramatization of the Seat Buying Royal Commission thus:
As many observers of these proceedings were to comment: so what? The history of Parliament was filled with examples of particular members being induced to give up their seats for
(contd.)

The whole fuss, it appears, was a concoction motivated less by a concern for public propriety than by the cynical desire for partisan advantage. Young points out that rumours that Mahoney had been "persuaded" to make way for Theodore were rife for some time before the Bruce-Page Government acted to set up the Royal Commission, and that "no one appeared to be particularly disturbed by this revelation of political patronage".¹²² The general conclusion was similar to that of Green: that "the Commission had been appointed in the hope of providing an election issue".¹²³

On the one hand then, colourful personalities of Australian political history have tended to be central figures in corruption allegations because they have aroused sufficient bitterness to have had mud thrown at them. On the other hand, it is also likely that many of these "characters" were involved in corruption, for the same disdain which they showed for other political figures and for the popular political wisdoms of the day was likely to extend to conventions of political behaviour as well. This amounts to a marked degree of political irresponsibility in the Australian political system; an irresponsibility which is manifested in the number of larrikin figures, with which Australia's political history is dotted, and in the continuing importance of gambling interests in many areas of Australian

the good of the party, only in most cases the reward was a knighthood, ambassadorship, or seat on some board of directors, any of which would make Mahoney's £5,000 look like a dreamy pittance.

(Gerald Stone, "In the Public Interest", *ABC TV*, October 12, 1973.) Nor is this practice obsolete. Green's last-named instance is in some respects similar to the circumstances under which the Whitlam Government unsuccessfully attempted to convert a hostile Senate into a friendly second chamber by buying off D.L.P. Senator Gair with the position of ambassador to the Irish Republic.

122. Young, *op.cit.*, p.80.

123. Green, *op.cit.*, p.75.

politics; an importance which has only now begun, arguably, to diminish. It may be that the juvenile frontier rowdiness of pre-Federation Australian politics carried over into this century much longer than many people would care to admit.¹²⁴ Obviously the irresponsible excesses of the Nortons and Cricks no longer characterize Australian parliaments, though the career of John Wren, the use of corruption allegations as a partisan political weapon, and the well documented history of intra-party skulduggery in the A.L.P., suggest that, if Australian politics is now more responsible and mature, the attainment of this condition is a fairly recent occurrence. Even now many individuals would be tempted to say, on casting a critical eye over some of the state parliaments, that the bravado of the old colonial parliaments is not yet completely dead.

124. For example, the only suspicion of political murder in Australian history has occurred in this century, not in the flamboyant instability of pre-Federation politics. Readers are referred to Green's cryptic remarks (*ibid.*, pp.63-64) concerning Thomas John Ley, an Attorney-General in a New South Wales State Government. As Green tells the story, Ley stood as the Nationalist candidate for Barton, having made a deal with the Labor incumbent, F.A. McDonald, to pay that person \$5,000 if he failed to lodge a valid nomination. When Ley reneged on the deal, McDonald provided Lang, state leader of the Labor Party, with a written statement, upon which Lang apparently intended to act. Ley contacted McDonald to arrange an appointment, which McDonald agreed to keep, after which he completely disappeared. Green writes: "Suspensions of foul play were made but police and private investigators could find nothing" (*ibid.*, p.64). Having been completely ostracized by Prime Minister Bruce, from whom Ley, by virtue of his status as an ex-state Attorney-General, expected rapid promotion, and virtually friendless, he lost his seat in the 1925 election and left Australia for London, where he was subsequently: arrested for the murder of a wealthy middle-aged woman with whom he had been living. Her body was found buried in a chalk-pit, and it was discovered that Ley had obtained control of her money and property. He was tried, found guilty of murder and sentenced to death.... The mystery of McDonald's disappearance has never been solved ... [but] the general opinion was that McDonald had been murdered.
(*ibid.*, p. 64.)

One extremely important consequence of the protracted hangover of nineteenth century political larrikinism into this century has been that discussion of principles of public ethics has a very recent history indeed - in fact the first significant excursion into this field has been the investigations of the Joint Parliamentary Committee on Pecuniary interests, which finally brought down its report on September 30, 1975. In this respect Australia compares unfavourably with both Britain and the United States, which have long traditions of discussion of principles of public ethics. In Australia "corruption" is still regarded primarily as a slogan to be used in inter-party conflict¹²⁵ rather than as a political phenomenon deserving careful analysis. It will be seen in chapter 10 that in this respect the contemporary situation is not noticeably different from that of the 1920s when allegations of corruption were used to destroy Theodore's political career. Moreover, when corruption scandals do occur, this lack of consideration of principles becomes most evident, for confusion prevails over terms and concepts and the ethical standing of the practices in question. Reference need only be made to the wide range of opinion concerning matters of conflict of interest, which is to be examined in the next chapter. The difference between the approach of, say, members of recent Queensland cabinets and members of the federal Parliamentary Committee on Pecuniary Interest, is indeed vast. Yet this is scarcely to be

125. These remarks hold true not only for those who are making accusations of corruption, but also for those who are defending themselves against such charges. Encel writes:

Generally speaking accusations of corruption in Australia have been treated in a fairly easy-going fashion and the tendency has been to throw the buckler of Cabinet solidarity over the accused minister.

(Cabinet Government in Australia, *op.cit.*, p. 141.)

wondered at when the only comprehensive treatment of the subject of corruption in Australia is a novel consisting of an uncertain amalgam of fact and fiction, and when all other existing discussions of Australian corruption are works of historical description,¹²⁶ rather than attempts to establish principles of public ethics.

Yet political corruption is important in Australia. It is a most important theme in Australia's political folklore, and although it is not possible to assess the matter with any real accuracy, there is sufficient evidence to suggest that it has been an important and relatively prevalent occurrence during certain periods of Australian history.¹²⁷ Given its historical importance, and the absence of responsible discussion of standards of public ethics, it seems reasonable to conclude that the grey area of political ethics will be fairly large, and that those areas which are typically located at the fringes of morally sanctioned political behaviour elsewhere will not be the subjects of any widespread agreement in Australia either. Two of these areas of activity shall be examined in the following chapters, though the reader should be aware that there are a number of other ethically dubious practices which could just as profitably

126. Again, with the notable exception of the Report of the Joint Committee on Pecuniary Interest, as mentioned above.

127. *Allegations* of corruption have had a profound impact on Australia's political history, whether there has been any substance to them or not. It is arguable that the Mungana affair denied Theodore, possibly the most influential Treasurer in Australian history, the Prime Ministership. Of less significance for Australia, but certainly of profound importance for Tasmanian politics, is the fact that the 1958 allegations against Turnbull resulted in E.E. Reece becoming Premier rather than the heir-apparent, Roy Fagan. Fagan had resigned from cabinet following his disagreement with Turnbull over how the allegations involving Turnbull should be handled, and while absent from cabinet the Premier, Sir Robert Cosgrove, resigned, leaving the Premiership vacant for Reece, who subsequently became Tasmania's longest-serving Premier.

have been examined - the ethical status of the various forms of patronage, particularly nepotism, the juggling of electoral boundaries to preserve political power, the manipulation of irrationality in the electorate to gain electoral advantage, the relationship (if any) between private and public morality, the nature of certain lobbying practices, and the leaking of classified information to the press, are some that come to mind.

As stated previously, an assessment of the ethical standing of these practices is necessary before they can be confidently labelled as either acceptable or corrupt political practices. Given the absence of public debate on principles of public ethics, it is likely that in many cases (perhaps most), the practices must perforce be left in the twilight regions pending further debate and clarification of their standing. Yet it may be that in some instances a surprising degree of consensus may well exist.

CHAPTER 9.

CONFLICT OF INTEREST IN AUSTRALIA

"Moral dilemmas are fairly rare in private life," writes Maurice Cranston, "but in politics the path of duty is often opposed to what looks like the path of gain."¹ Certainly the most obvious grey zone of corruption, not only in Australia, but in most western representative democracies, concerns problems of conflict of interest. These problems typically arise during election campaigns, and this has led to concerted attempts by most western countries to regulate the degree to which parties, governments and individual representatives can become indebted to outside interests during the course of an election. Conflict of interest problems are not, however, confined to election campaigns. Governments have long felt the need to regulate lobbying activities; to establish limitations on the type, scope and degree of pressure which an interested party can apply to individuals who hold positions which require them to make decisions in the public good. Individuals may also bring private interests with them when they ascend to public office, and the exact nature of the official's obligation to divest himself of these interests has also been a source of controversy. Conflict of interest

1. Maurice Cranston, *Politics and Ethics*, An Inaugural Lecture at the London School of Economics and Political Science (London: 1972), p.22.

may take other forms,² though these are its three most usual manifestations.

The first of these may be dealt with relatively simply. Most representative democracies have experienced considerable difficulty in controlling electoral finance, and problems encountered in the United States in this regard have received much attention. The basic problem is how to reconcile the undeniable fact of the huge scale on which electioneering must take place if it is to be successful, and the concomitant financial burden which those who run election campaigns must meet, with the need to prevent binding conflict of interest relationships developing between those who finance an election campaign and those who are thereby elected.

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2. The political activities of permanent civil servants may be interpreted as conflict of interest, for example. Where a civil servant's ability to faithfully execute policy handed down by a government of the day is seriously jeopardised by his allegiance to contrary political principles or organizations he is in a conflict of interest situation as real as the three outlined below. The *Times* commented on March 13, 1953: "The public interest demands the maintenance not only of 'political impartiality in the Civil Service' but also of confidence in that impartiality.... Entry to the Civil Service is a voluntary act, and those who cannot accept its conditions of employment can seek work elsewhere." [Quoted in "The Political Activities of Civil Servants" (author unknown), *Public Administration* (London), Vol. 31 (1953), No.2, p.175.] Whether transgression of these institutional behavioural norms is sufficient to constitute corruption is not clear. The survey of figures prominent in public life in Tasmania revealed that only 58.13% of 91 respondents felt that loyalty to institutional norms took precedence over other factors to such an extent that a public servant, faced with a conflict between institutional loyalty and his personal conception of the public good, was not justified in leaking the relevant confidential information to the press. A large minority (24.17%) felt that such an action was justifiable. Moreover, of those who did not believe that the public servant had any right to leak information to the press, only a very small percentage (10.99%) stated that such activity constituted corruption. A smaller percentage (6.60%) used a stronger adjective ("treason") and a much larger percentage (36.28%) called such action "misguided", a far less condemnatory term than "corruption".

James Pollock identifies the 1904 presidential election as the first important focal point of concern for the dangers inherent in unregulated campaign funding. He writes:

Democratic charges that corporations were supplying funds for the Republicans in order to buy influence with the administration, coupled with the exposure of corruption in business and politics by the "muckrakers" and the prevalent antitrust sentiment, contributed to the passage of the first federal law in 1907, which forbade contributions by corporations to party campaigns.³

The 1907 law ushered in a concerted attempt to regulate campaign expenditure at both state and federal level. Though the most characteristic feature of these efforts has been their failure to achieve their stated aims,⁴ the situation may at last be altering. The

3. James K. Pollock, "Corrupt Practices Acts", in Seligman, *op.cit.*, Vol. IV, p. 447.

4. Pollock wrote in 1933:
Both state and federal laws are so defective as to be unable to prevent some of the grossest abuses. They are inadequate in several respects: they do not provide sufficient publicity, they do not make it worth anyone's while to enforce them; and they are full of loopholes. The federal law is particularly weak because it fails to reach primary elections. (*ibid.*, p. 448.)

The situation remained much the same in the post-war years. Hugh Bone wrote in 1958:

One of the most important developments in recent years is the increasingly large role of nonparty groups in the financing of campaigns. With the cost of campaigns increasing, parties and candidates are looking for additional sources of revenue and also agencies through which money can be expended without exceeding the three million dollars limitation imposed by the Hatch Act for one committee. Corporations and labor unions are forbidden by law from making direct contributions to political campaigns. These various laws, often referred to collectively as corrupt practices legislation, have not kept political interest groups from giving donations but made them somewhat more circumspect. There are several ways by which groups may raise funds for candidates and still remain within the law.

[Hugh A. Bone, "Political Parties and Pressure Group Politics" *The Annals of the American Academy of Political and Social Science*, Vol. 319 (1958), p.78. A similar view is expressed by R.A. Horn, *Groups and the Constitution* (Stanford, Calif.:1956), pp. 111-114.]

revelations of electoral malpractice on the part of Richard Nixon's campaign committee induced the American Congress to try the radical experiment of funding presidential (though not congressional) campaigns from public finance, a step which has already been taken in some other countries, most notably Canada and West Germany. Commenting on the adding of the Greyhound Corporation to the long list of corporations to plead guilty to making illegal contributions to the Nixon 1972 election campaign - Greyhound were the sixteenth such corporation - *Time* wrote:

The currying - or outright buying - of future governmental favors by private interests through campaign contributions to both parties has long been one of the most degrading features of U.S. political life.... the obvious cure for such real and apparent abuses is to consider the election of a president a public responsibility.⁵

Whether the new legislation⁶ will succeed in its aim where its predecessors have failed remains to be seen, though the experiment obviously constitutes a particularly determined attempt to come to grips with a problem which has bedevilled American political life throughout this century.

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5. *Time*, October 14, 1974, p.24. One of the outstanding features of the evasion of electoral law by corporations contributing to the Nixon campaign was the openness of motivation of the corporations. No attempt was made at dissimulation. Most big contributors were quite explicit in making known their expected quid pro quo to the Nixon team. The powerful dairy lobby, for example, expected an increase in milk subsidies in return for contributions to the campaign.
 6. Agreed to by Congress in mid-October, 1974, the law does not entirely outlaw private contributions to campaigns. The candidate of each major party (defined as a party whose candidate secured at least 25% of the vote in the previous presidential election) is allotted \$20 million in public funds to finance a campaign, above which campaign committees are permitted to support a campaign at a rate of 2 cents per vote - roughly \$2.9 million. At the level of the presidential primary a much greater degree of private funding is permitted (roughly 1:1 with public funds), though each candidate is restricted to a ceiling of \$10 million.

Controversy over control of electoral expenditure has not reached the same intensity in Britain as it has in the United States, but even in Britain attempts to head off potential conflict of interest situations by regulating election finance have been characteristically unsuccessful.⁷ Rose attacks the Representation of the People Act, which governs electoral expenditure in Britain, on five grounds:

1. It does not control expenditure on behalf of the parties nationally - notwithstanding the fact that it is the national swing from one party to another which primarily determines election results.
2. It does virtually nothing to assure an approximate equality of expenditure as between the parties.
3. It does not control spending between campaigns when most shifts in political opinion takes place.
4. It ignores politically relevant expenditures by pressure groups attacking or aiding parties.
5. Although corruption by bribery is outlawed, no controls are placed upon the alleged corruption of voters' free choice by covert public relations efforts.⁸

These weaknesses, Rose argues, work very much to the advantage of one of the two major parties:

The shortcomings of the Act's controls would not now be the subject of much controversy if all parties equally took advantage of these shortcomings. But the parties are not equally wealthy. Observation suggests that the Conservatives spend

7. Richard Rose states:

In the 27 months before the 1959 election, the Conservatives spent an estimated £468,000 on political advertising; in the 13 months before the election, business groups spent an estimated £1,435,000 on "politically relevant" public relations efforts. Together, the two groups spent 40% more than all candidates were legally allowed to spend during the campaign itself.

(Richard Rose, "Money and Election Law", *Political Studies*, Vol 9 (1961), No.1, p.2.]

from two to three times as much as the Labour Party, even after allowance is made for the assistance which Labour receives in kind instead of cash from trade unions and Co-operatives.⁹

The controversy is, however, less simple than outlined above, as Rose himself agrees.¹⁰ Different groups will provide support for the election campaigns of different parties for no more sinister reasons than that they perceive their own interests to be generally in tune with the ideology and/or platform of the particular party which they choose to support, which is quite different from the provision of financial support to an election campaign in return for some specifically stated advantage. McKenzie states:

Both great parties have tapped large-scale financial resources without becoming completely beholden to those who provide the funds; neither party in office has sacrificed its conception of the national interest in order to serve the purposes of those sections of the community which provides its funds.¹¹

McKenzie is here considering the party as a whole. It may be contended that conflict of interest situations are just as likely to be found at the level of the individual member of parliament's relationship with specific interests than at the level with which McKenzie is concerned - that of the relationship between the party as such and interested groups. Nevertheless, the point which should be noted is

9. *ibid.*, p.2. The significance for the development of conflict of interest relationships he explains thus:

Some Labour criticism of political spending by business firms has fastened upon the allegation that these firms are buying preferential treatment from Conservative governments...

(*ibid.*, p.12.)

10. *ibid.*, p.12. Rose writes: "To note financial links between interested groups and parties is not to prove that government favours are for sale."

11. R.T. McKenzie, *British Political Parties* (London: 1963), p. 591.

that the conflict of interest relationship which may arise out of election campaigns appears to be the subject of much disagreement, in Britain as well as the United States.

In Australia the *nature* of the controversy is similar to that in Britain and the United States. Overacker writes:

The states impose no restrictions upon expenditure, nor is there any requirement that contributions to campaign funds be made public. The Commonwealth law required candidates and organizations spending money in connection with an election to file statements of the expenses incurred. The amount which a candidate may spend is limited, but what the parties may spend is not. Moreover, as the available reports cover only the actual campaign, they give a very incomplete picture of the over-all cost. Neither candidates nor parties are required to divulge the names of those who contribute to their funds, and there are many ugly rumors about the sources of the financial support of the respective parties.¹²

But the *scope* of the controversy does not reflect the position in Britain and the United States. There is nowhere near the same degree of public concern, despite the fact that existing laws are rarely observed. The record of campaign expenditure by Tasmanian candidates in the 1974 House of Representatives and Senate elections¹³

12. Louise Overacker, *The Australian Party System* (London: 1952), pp. 282-283. Overacker's information is inaccurate in one respect. The states did impose restrictions on campaign expenditure, and since 1952, South Australia, Western Australia and Tasmania have all legislated to increase the permissible amount of expenditure per candidate. Many of these requirements are merely token however. In Tasmania a candidate in breach of the law is able to claim forgetfulness as his excuse for not filing a return, and unintentional error as a defence against filing an inaccurate return.

13. Figures obtained from the Commonwealth Electoral Office, Hobart. Some of this data has been duplicated by Wayne Crawford, "Rosemary Gives a Lead on Expenses", in *The Mercury*, October 12, 1974, p.8.

gives a good indication of the degree to which the letter of the laws relating to campaign expenditure is observed. Of 44 candidates, only 14 filed returns with the Commonwealth Electoral Office detailing how much they spent on the election campaign, and of these, only four complied with the law as set out in the Australian Electoral Act, for only Senator Townley (independent), Senator Marriott (Liberal), unsuccessful Senate candidate Mr. R. Excell (independent) and unsuccessful House candidate, Mr. J.F.E. Chapman-Mortimer (D.L.P.) managed to supply the Electoral Office with a sworn and detailed statement of their campaign expenditure by the deadline eight weeks after the election. The 14 returns included none of the five successful House of Representatives candidates. Moreover, of the 14 who eventually complied, four (all unsuccessful) openly admitted breaching the law by filing returns showing expenditure in excess of the legal limits.¹⁴ Only one party - the small conservationist United Tasmania Group - filed a return as required by law; no declarations were forthcoming from any of the major parties, even though all were reminded just after the election that they were required to declare their campaign costs. Nor can it be held that this picture of widespread evasion of the law is limited to Tasmania: among the hundred or so M.H.R.'s who failed to comply with the law was the Minister for Services and Property, Mr. Daly, who was ministerial head of the Electoral Office. Other apparent non-compliers included the Prime Minister, the then Leader of the Opposition, and the Leader of the Country Party.¹⁵

14. Since 1971, \$500 for candidates for the House and \$1,000 for candidates for the Senate.

15. As reported in *The Australian*, 9 October, 1974. The handful of M.H.R.'s who *did* comply with the law included both deputy leaders, Dr. Cairns (A.L.P.) and Mr. Lynch (Liberal), and a past Prime Minister, Mr. McMahon.

Australia then, has been no more successful than the United States or Britain in regulating campaign expenditure. So how do we account for the apparent lack of controversy about the problem in Australia? L.F. Crisp suggests that Australia has such a long tradition of honest elections that, by tacit agreement, the ridiculously low restrictions on campaign expenditure are ignored as long as their abuse has no serious political consequences,¹⁶ though "statutory pains and penalties provided against corrupt practices remain and would undoubtedly be invoked where occasion warranted".¹⁷ It is not strictly true that all political participants are happy with the existing situation. As in Britain, the Labor Party has always maintained that existing laws work very much in favour of the non-Labor parties, who are held to benefit from the present position of mass defiance of the law because of their greater fund-raising capability,¹⁸ and the Labor Minister for Services and Property in the Whitlam Government, Mr. Daly, made several attempts to effect changes in the law,¹⁹ though he was continually thwarted by a hostile

16. L.F. Crisp, *Australian National Government*, 3rd edn.

(Hawthorn, Vic.: 1973), p. 141. Crisp writes:

Australian national elections, which from the beginning have been by secret ballot and administered by career public servants, have usually been entirely free even of serious suggestion of such malpractices, except, perhaps, in remote, isolated pastoral polling places.

17. *ibid.*, p. 141.

18. This is not to state that only the non-Labor parties evade the law, for as the above analysis should make plain, endorsed A.L.P. candidates have also been reluctant to act in accordance with its provisions.

19. Among the schemes Mr. Daly outlined was a proposal to lift the limit to something like \$2,500 or \$3,000 on average, the exact limit being tied to the number of people in the electorate. Candidates who stayed within the limit would get partial reimbursement from the Commonwealth, and there would be stiff penalties for any candidate who did not lodge a return, including automatic loss of seat.

Senate. Nor are the non-Labor parties entirely happy with the situation either, though the direction of reform which they prefer naturally runs counter to that of the A.L.P. In 1971 the Liberal-Country Party Government unsuccessfully attempted to abolish legal limits to candidate's spending. They made their position regarding control of campaign funding even clearer in their opposition to the 1975 Electoral Bill,²⁰ which aimed, among other things, at provision for compulsory disclosure of party contributions and contributors to party finances, and to impose limitations on amounts of campaign expenditure which were at once realistic and capable of enforcement.

Despite these manifestations of dissatisfaction, however, it seems likely that Crisp is fairly close to the mark. After all, if the A.L.P. seriously believes that breaches of the Electoral Act by its political opponents are a serious impediment to its electoral

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20. The essence of the Liberal-Country Party Opposition's attitude is contained in the following contributions to parliamentary debate in the matter. Speaking in the Senate, Senator Missen stated:

2 principles [are] being flouted by this Bill. The first principle is that persons have a right to contribute support to political parties, and that right should not be interfered with or restricted. The second principle is that persons are entitled to privacy; they are entitled not to disclose what they have contributed to political parties and they are entitled to be free of the intimidation which would arise from such disclosures.

(*C.P.D., Senate*, 25 February, 1975, p. 397.)

In the House of Representatives Mr. Killen was even more forthright:

The Electoral Bill is a violent expression of discrimination. The Australian Labor Party is fond of prattling about rights, guided steadily, it states, by the stern philosophy that there should be a minimum invasion of privacy, yet embodied in this Bill, which seeks to amend the Electoral Act, is a savage, singular and sweeping invasion of privacy.

(*C.P.D., H. of R.*, 13 February, 1975, p. 287.)

prospects, its candidates have the opportunity, under existing regulations, to challenge the validity of individual results in the Court of Disputed Returns, and if the Court was to find that the result of the election was affected by illegal breach of the expenses law, it could declare the election invalid. The fact that A.L.P. candidates do not make a point of challenging election results on these grounds²¹ suggests that they do not hold too strongly to their oft stated view that breaches of campaign expenditure regulations work strongly in favour of the non-Labor parties.²²

It would seem then, that abuses of regulations limiting campaign expenditure have not usually resulted in corrupt elections, nor have they apparently tipped the electoral scales heavily in favour of any particular political force. The same degree of soul-searching which is apparent in the United States and Britain (Crisp argues) is therefore not evident in Australia. The question then needs to be asked: does Australia's approach reflect a more or less advanced appreciation of the nature of conflict of interest? It is argued here that Australia's attitude reflects a considerably less

21. The following question was asked in the House of Representatives on September 26, 1972:

Mr. Whitlam (A.L.P., then Leader of the Opposition):

When was a candidate last prosecuted for exceeding the expenditure permitted by the Commonwealth Electoral Act?

Mr. Hunt (Minister for the Interior): The Electoral Office records do not reveal any evidence of a prosecution against a candidate for exceeding the expenditure permitted by the Commonwealth Electoral Act.

(C.P.D., H. of R., 26 September, 1972, p. 1960.)

22. It is also likely that the difficulties involved in successfully proving to the Court's satisfaction that the result of the election was affected by the illegal practice have also dissuaded many possible challenges.

advanced understanding of conflict of interest issues generally, which is not to say, of course, that this live and let live approach to the law governing campaign expenditure does not make more practical political sense. Nor is it to say that those who have evaded the law have necessarily acted corruptly, for the pattern of values within which they have acted does not seem to regard evasion of electoral expenditure regulations as unethical. Messrs. Whitlam, Snedden and Daly would certainly reject any suggestion that they had acted corruptly by ignoring this particular law: they would presumably reply to the effect that the law was a lame-duck within which it was impossible to work realistically, and that as long as the spirit of the law was observed - that is, as long as the individuals avoided compromising their ability to faithfully pursue the public interest by becoming too indebted to particular powerful interests - the letter of the law could be conveniently ignored. And, as will be seen in chapter 11, political corruption and breaking the law are by no means synonymous.

In sum then, it would seem that deliberate avoidance of limitations on campaign expenditure is not regarded in the same serious light that it is in Britain or the United States; in Australia the activity's ethical standing is much more indistinct and it remains more definitely within the grey zone. In itself this may not be so important, particularly if Crisp is right and avoidance of laws relating to electoral finance is tolerated specifically because it does not lead to worse forms of campaign skulduggery, and indeed, strict enforcement of the laws might have that very effect. There is, nonetheless, one very important possible consequence of this absence of controversy over campaign expenditure. In other countries

public discussion of conflict of interest relationships which arise from election campaigns has served to hone attitudes to conflict of interest as a general phenomenon not confined to elections. It may be that the absence of such discussion in Australia has rendered Australian public life less concerned with and clear about what it expects from its public officials where conflict of interest is concerned. To see whether this is in fact the case a discussion of the conflict of interest problem as it most typically manifests itself will now be embarked upon: that which can, and frequently does, arise out of contacts between public officials and lobbyists pursuing particular (as opposed to general) interests.

In the United States, concern about conflict of interest situations developed more or less in conjunction with the growth of potential for abuse. As the power of government and business snowballed over the years, so did awareness of and concern for the dangers of conflict of interest. The framers of the Constitution showed some appreciation of the problem at the very outset, though it was by no means as controversial as it is now. According to Beard, Hamilton, as Secretary of the Treasury, showed:

great hesitancy in passing upon his own land claims but did not deem it incompatible with his official duties to communicate occasionally with friends, as to the probable prices of public securities ... nor did he deem it necessary to inhibit his brother-in-law from dealing in securities.²³

Undoubtedly the development of the spoils system was the most important single factor in pushing conflict of interest to the forefront

23. Charles A. Beard, *An Economic Interpretation of the Constitution of the United States* (New York: 1941), p. 111.

of public attention. It was probably not until the 1950s, however, that conflict of interest was accorded the degree of discussion and scrutiny which is now devoted to it.²⁴

It may be that this was an indication of a general improvement in public ethics. Buss writes:

Conflict of interest has been described as a 'luxury issue', one that is raised when the 'grosser larcenies of government have been reduced to tolerable limits'.²⁵

The accuracy of this may be doubted. The United States has been conspicuous in its attempts to grapple with conflict of interests *because* the American political system has been so vulnerable to manipulation by unscrupulous lobbyists. Manning writes:

A major concern of the federal statutes on conflict of interest has been to inhibit governmental employees from assisting outsiders in certain of their dealings with the government. Together they reflect the philosophy that the loyalty of the government man is to the government, that he should not serve two masters whose economic interests are 'adverse'.²⁶

Yet this is the very situation into which a lobbyist may attempt to lure a public official. In assessing the nature of attempts to

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24. This, at least, is the view of Clement E. Vose, who writes:
 "... the matter was isolated and widely recognized as a moral and legal issue about 1950, and has been pondered and studied ever since". (Clement E. Vose, "Conflict of Interest", in Sills, *op.cit.*, Vol.3, p.242.) Vose is not stating that conflict of interest legislation was non-existent before 1950, but that: "After World War II, American law on the subject of conflict of interest was so antiquated that little protection was afforded either the public or the large numbers of people entering and leaving public service."
 (*ibid.*, p.242.)
25. William G. Buss, Jr., "The Massachusetts Conflict-of-Interest Statute: An Analysis", *Boston University Law Review*, Vol.45 (1965), No.3, p.300.
26. Bayless Manning, *Federal Conflict of Interest Law* (Cambridge, Mass.: 1964), p.13.

regulate conflict of interest then, it is insufficient to devote one's entire attention to conflict of interest legislation as specifically designated, for such legislation tends to focus on the permissible limits within which public officials are constrained to act. Legislation which regulates lobbying activities on the other hand, concentrates on the other party to conflict of interest - he who would tempt a public official to enter into a conflict of interest situation.

Concern with conflict of interest is, then, linked with concern for possible lobbying abuses, a concern which culminated in the passing of legislation in 1935 and 1936 requiring registration of lobbyists with the Securities and Exchange Commission. The legitimate role of the lobby in the American political system has long been the subject of contentious debate, and until recently, it has been fashionable to play down the nature of the threat posed by lobbying activities. Much of this sentiment stems from a belief that existing regulations provide adequate control - hence Bauer, Pool and Dexter state that the "image of lobbyists wallowing in ill-gotten and ill-spent lucre is one of the great myths of our time"²⁷ - and probably more importantly, that regulation of lobbying is undesirable on ideological grounds²⁸ as an infringement of the rights of free

27. Raymond A. Bauer, Ithiel de Sola Pool, and Lewis A. Dexter, "American Business and Public Policy", in Bradley Seasholes (ed.), *Voting, Interest Groups, and Parties* (Glenview, Ill.: 1966), p.65. In the same volume Lester W. Milbraith claims: "Lobbying as we see it today in Washington presents little or no danger to the system". ("The Dangers and Contributions of Lobbying", in *ibid.*, p. 68.)

28. cf. Herbert Solow, "Conflict of Interest: A Legal Nightmare" *Fortune*, January 1961, pp. 97-99. In his analysis of current problems involved in the regulation of conflict of interest, Solow gives the strong impression that he is by no means certain that conflict of interest is a legitimate field of legislative activity at all. He appears to deplore, for
(contd.)

enterprise. Such opinion has been rendered unfashionable by the disclosures of relations between lobbying interests and key officials in the Nixon administration.²⁹ The point to note, however, is that despite extensive discussion of the issues involved in conflict of interest, controversy still remains and it seems unlikely that any clear resolution of the problem will be forthcoming in the near future.

In Britain, the same concern for lobbying and conflict of interest is apparent. The British system differs from the American in one important respect. There is no counterpart of the American Regulation of Lobbying Act, which gives British pressure groups much more manoeuvrability in their relationship with legislators, who are merely obliged by convention to declare any pecuniary interest, direct or indirect, which they may have in any matter being considered by Parliament. The problems thus arising have been aptly stated thus:

Disquite has been growing for some years about the disclosures of the private financial interests of Members of Parliament, not because of serious or widespread abuse but because of new methods of parliamentary lobbying that fell outside the scope of the old loose custom of declaration, which in practice had been confined to directorships,

example, the fact that Willard F. Rockwell, a member of the United States' most powerful military supply family, failed to secure confirmation as Assistant Secretary of Defence in 1953 because he declined to sell his interest in family companies involved in supplying defence equipment. If Solow feels that conflict of interest regulation should not apply in this instance, it is difficult to conceive of circumstances under which it should.

29. See the accounts of the financing of the 1972 Republican convention in San Diego and of the Nixon administration's anti-trust suit against ITT in Anthony Sampson's *The Sovereign State: The Secret History of ITT* (London: 1973).

shareholdings, and other beneficial connexions with industry. Now other interests were seeking spokesmen in the House and willing to remunerate them for their services. With few exceptions they were worthy interests and it is unlikely that any Member espoused a cause with which he was out of sympathy. The mischief lay in the fact that his parliamentary colleagues, unaware of the financial benefit he was receiving and the conditions under which it was paid, were unable to make a true evaluation of the weight of his arguments. It was not that Members were deliberately concealing their beneficial interests but that the existing custom of declaration was not sufficiently precise or comprehensive.³⁰

Concern for this problem has led to a number of suggestions, the most prominent of which has been the establishment of a register in which all M.P.s and peers would be required to list any financial connexion with any association.³¹ It also led to the setting up, on March 26, 1969, of a nine-man select committee "to consider the rules and practices of the House in relation to the declaration of Members' interests and report thereon." The select committee recommended against setting up a register, and recommended instead that the House resolve:

That it is contrary to the usage and derogatory

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30. George Strauss, "The Members' Financial Interests: Select Committee at Westminster". *The Parliamentarian*, Vol.51 (1970), No.2, p.96. For further discussion of the relationships between pressure groups and M.P.s see S.E. Finer, *Anonymous Empire* (London:1955), particularly chapter III; Frank C. Newman, "Reflections on Money and Party Politics in Britain", *Parliamentary Affairs*, Vol.10 (1957), No.3, pp.308-332, Noel-Baker, *op.cit.*, D.C.M. Platt, "The Commercial and Industrial Interests of Ministers of the Crown", *Political Studies*, Vol. 9 (1961), No.3, pp.267-290, and Peter G. Richards, *Honourable members* (London: 1959), chapter 9.
31. This is the view held by Finer, for instance (*Anonymous Empire*, *op.cit.*, pp. 124-133) and has gained increasing press support over the years. Strauss states (*op.cit.*, p.97) that:

The Times, which previously had held a contrary view, commented on 7th March that, while a register would be unpleasant, "A position has now been reached where it is regrettably necessary to risk this unpleasantness for the sake of Parliament's good name."

to the dignity of this House that a Member should bring forward by speech or Question, or advocate in this House or among his fellow Members any Bill, Motion, matter or cause for a fee, payment, retainer or reward, direct or indirect, which he has received, is receiving or expects to receive.³²

Though Strauss, the committee chairman, was confident that the House would adopt his committee's recommendations, the original oft disregarded convention has yet to be superseded.³³ So the situation in the United Kingdom remains unclear, and neither Parliament nor the nation can reach unanimity over the question of what is permissible and what is not in relations between parliamentarians and outside interests. It is again obvious, however, as in the case of the United States, that the present lack of consensus is not attributable to an absence of public concern or debate on the issue, as

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32. *ibid.*, p.100. Strauss sees some difficulties with this proposal:

It would plainly be wrong to ban ... the traditional right of trade-union members, most of whom receive some direct or indirect benefit from their union, to speak from long experience about the needs of their industry, or from advancing their union's case when it is involved in an industrial dispute. (p.100).

33. It may not be too difficult to explain why Parliament is reluctant to tighten regulations concerning relations between M.P.s and lobbyists.[Of a debate on this matter in 1947 Newman writes: "one gets a total impression that the House (1) found the episode discomfiting, (2) regarded any attempt to codify appropriate ethical rules as inadvisable". (*op.cit.*, p. 323.)] One is that in the U.K. salaries have traditionally been so low that many members view retainers from pressure groups as a useful supplement to their salaries. Another is that there is a strong body of opinion which sees nothing wrong in this arrangement anyway. Thus John Hawgood writes:

Open advocacy of a cause in Parliament, even if the member concerned is very closely identified with that cause, financially or otherwise, ought not to be resented. He can quite well be best serving the interests of his country by seeing that the interests with which he is specially identified are not forgotten.

[John Hawgood, *The Citizen and Government* (London: 1947), p.39.]

this problem had bedevilled both press and parliament for the last thirty years. There are, moreover, reasons for assuming that in practice the British are less indecisive in their approach to conflict of interest than the absence of theoretical agreement would indicate.³⁴

To what extent does the situation in Australia correspond with that in the United States or Britain? A number of observers have compared Australia unfavourably with Britain in its approach to conflict of interest. John Playford, for example, outlines the tradition of British firmness in dealing with problems of conflict of interest which he traces back to Campbell-Bannerman's comprehensive ruling on the matter in 1906.³⁵ "By contrast," he continues, "we find in Australia the prevalence of easy-going standards regarding the possibility of conflict between a Minister's official position and his private interests."³⁶ Encel has remarked similarly:

... the use of a ministerial position to advance the material interest of its incumbent, although officially frowned upon, is subject only on occasions to effective sanctions.... Whereas the history of British politics is marked by a succession of rulings on this point made by various prime ministers since Lord Palmerston, Australian politics is marked rather by repeated evasions of the problem.³⁷

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34. cf. the discussion by Robinton, *op.cit.*, of the Lynskey Tribunal and the circumstances which led to its establishment.
35. John Playford, "The Permissive Politicians", *Australian Left Review*, No. 26 (1970), pp. 59-61.
36. *ibid.*, p.61.
37. Cabinet Government in Australia, *op.cit.*, p. 133.

On the other hand, data obtained from the survey of ninety-one Tasmanians active in public affairs tend to suggest that, if anything, the prevalent attitude towards conflict of interest in Australia is less compromising and more clear-cut than it is in the case of the United Kingdom or the United States. In answer to the question: "Do you believe that Ministers of the Crown, parliamentarians and/or senior public servants should be allowed to use their positions for personal financial gain in a manner not officially provided for?", an overwhelming majority answered an emphatic "No" (see below, Table F). There are, however, reasons to distrust this seeming unanimity of opinion regarding conflict of interest. In the first instance, the question as couched - in terms of stark moral choice - can scarcely have elicited any other response. Had the question posed *actual* conflict of interest situations, the result may well have been different. One "No" respondent, for example, appended the comment: "there is all the difference in the world between breaking Chapter IX of the Criminal Code and using one's official position to get a chairmanship that will last after one's retirement and add to one's income", though he (or she) unfortunately did not go on to explain the nature of this difference. Secondly, the question as stated is a general one and does not refer solely to conflict of interest, and many respondents undoubtedly had in mind less controversial abuses than those assumed under the broad "conflict of interest" category. It seems likely then, that the data tabulated in Table J, which seeks attitudes to a particular controversial conflict of interest situation, may be of greater assistance in determining attitudes towards conflict of interest generally. Thirdly, the survey does not distinguish between various degrees of individual

TABLE F (n = 91)

Question: Do you believe that Ministers of the Crown, parliamentarians, and/or senior public servants should be allowed to use their positions for personal financial gain in a manner not officially provided for?
(N.B. If you feel that a distinction should be made between Ministers of the Crown, parliamentarians and senior public servants, please indicate the nature of the differences in the space reserved for comments.³⁸)

Responses:

(i)	Yes	0.00%
(ii)	In certain circumstances only	8.79%
(iii)	No	85.71%
(iv)	No opinion	0.00%
	no answer	5.80%

TABLE G (n = 89)

Question: Indicate which of the following courses of action should be taken in the event of a Minister of the Crown using his position for personal financial gain in a way of which you disapprove. (Indicate the strongest action which you believe should be taken.)

Responses:

(i)	The Minister should be chastised by his Prime Minister	7.69%
(ii)	The Minister should be transferred to another ministerial position	0.00%
(iii)	The Minister should be removed from the Ministry	40.66%
(iv)	The Minister should be expelled from his political party	3.30%
(v)	The Minister should be forced to resign his seat in Parliament	35.16%
(vi)	The Government of which the Minister is a member should resign and contest an election.	2.20%
(vii)	No opinion	2.20%
	No answer	8.79%

38. Only one respondent did indicate any difference between Ministers, M.P.s and public servants. He (or she) stated: "More stringent standards should apply to public servants since the electorate can always deal with the politician. Corrupt public servants are a bigger danger."

TABLE H (n = 91)

<u>Question:</u> Indicate which of the following courses of action should be taken in the event of a member of parliament using his position for personal financial gain in a way of which you disapprove (Indicate the strongest action which you believe should be taken).	
<u>Responses:</u>	
(i) The M.P. should be chastised by his party leader	25.28%
(ii) The M.P. should be expelled by his parliament-ary party	4.39%
(iii) The M.P. should be expelled by his political party	5.49%
(iv) The M.P. should be required to resign his seat in parliament	53.85%
(v) No opinion	2.20%
No answer	8.79%

TABLE I (n = 91)

<u>Question:</u> Indicate which of the following courses of action should be taken in the event of a public servant using his position for personal financial gain in a way of which you disapprove. (Indicate the strongest action which you believe should be taken.)	
<u>Responses:</u>	
(i) The public servant should be chastised by the head of his department	17.58%
(ii) The public servant should be demoted	19.78%
(iii) The public servant should be dismissed	49.45%
(iv) No opinion	2.20%
No answer	10.99%

culpability; nor does it distinguish between actions of greater or lesser blameworthiness, which seriously disadvantages the worth of the data so obtained. Many respondents to the questions tabulated in Tables F, G, H, I and also A claimed that for this reason they were unable to satisfactorily answer the questions as stated, while

many of those who did answer indicated that their responses might also vary depending on the seriousness of the breach. Given the stark moral connotations evident in the wording of these questions, it is very probable that the respondents tended to envisage rather clear-cut situations and that any variation of responses induced by consideration of differing degrees of magnitude of offences would tend to vary answers in the direction of leniency.

In any case, there are some indications in the responses tabulated in Tables G, H, and I that the sharply defined "no" responses to the general question of conflict of interest (Table F) may be less unequivocal than at first it seems. In Table G, for example, the largest category of responses was category (iii) which was selected by over 40% of respondents. If 40% of Tasmanians active in public affairs believe that a Minister of the Crown who succumbs to a conflict of interest situation should suffer no greater blow to his political career than removal from the ministry, it is moot to ask how *strongly* the 85.71% "no" respondents in Table F feel about their response. The large minority of respondents who felt that no stronger action need be taken than that suggested by option (i) in Table H and by options (i) and (ii) in Table I raises similar questions, as do the large minority of respondents who indicated a willingness under some circumstances, to vote for those guilty of activities overwhelmingly condemned in Table F (see Table A, p.188).

Of probably greater value, however, is the data tabulated in Table J (see below), which presents the responses to a question concerning a most controversial and probably increasingly prevalent mode of conflict of interest. The table shows that an overwhelmingly

majority of respondents did indeed consider the designated activity to be corrupt. Moreover, the frequently appended comments indicate that at least some Tasmanians prominent in public affairs had devoted time to consideration of the issues involved in this modern form of treating, and this was particularly the case among the 14.28% minority who decided that it did not necessarily constitute corruption.³⁹

TABLE J (n = 91)

Question: Would you describe the lobbying tactic of favouring those in a position to influence governmental decisions with free meals and trips, or promises of employment when and if they leave politics or public service, as corruption?

Responses:

(i)	Yes	78.02%
(ii)	No	14.28%
(iii)	No opinion	4.40%
	No answer	3.30%

39. Note, for example, the following sample of comments:

"In the case of public servants handouts are anathema to me. With members of Parliament some free entertainment and theatre tickets do not go beyond the pale."

"This question supposes a person is lobbying for some 'Bill' that would help him or his association. This is legitimate lobbying, but with strings attached other than a 'free meal' which one may be invited to for the purpose of discussion, and trips and promises of employment for gain is another matter which could [be] bribery or corruption."

"It depends how far this goes. It is common business practice to buy clients a meal, but it is going too far to offer lucrative employment."

"Here again I feel corruption is too strong a word, but this matter is less serious.... It can be corrupt if carried to extremes. Politicians should be shrewd enough to balance interests and the common good."

Again, however, one is inclined to take the apparent conclusions with a grain of salt, for they do not seem to be borne out by analysis of Tasmania's recent political history. Occasion has already been had to examine the major alleged instances of post-1945 corruption in Tasmania in another context.⁴⁰ Of the four instances looked at, the most interesting in this context is that concerning payments by road transport operators in 1947 and 1948 to the Premier, Robert Cosgrove. Interestingly, Cosgrove's defence was not that money never changed hands - but that it was not intended for him personally, having been paid into a secret party fund, the existence of which was unknown to many A.L.P. parliamentarians, and which was *not* subjected to the party's normal auditing procedures. The Premier and the Government obviously felt that this explanation absolved the accused of any taint of corruption, and appear to have been unprepared for the storm of controversy which subsequently blew up, and in response to which they reluctantly promised to abolish the offending fund, thereafter ignoring all debate on the matter.

To fail to see the potential for abuse in a non-audited fund under the personal administration of the Premier, into which secret contributions were made from time to time by certain vested interests in the community, is to exhibit a total absence of appreciation of the nature of conflict of interest. Nor is any such appreciation apparent in the public controversy which centred around the fund, for even those who railed against it did so in the most general terms: no attempt was made to specify the exact nature of the threat to public integrity which its antagonists saw inherent in the secret

40. See chapter 7.

fund,⁴¹ and it seems reasonable to assume that beyond a vaguely divined feeling that a secret fund into which various sectional interests were at liberty to contribute anonymously was likely to result in abuses, no appreciation of the nature of conflict of interest existed.

Nor has there been any apparent revision of thinking, for in 1973 further allegations of political corruption revealed that, in its informally ad hoc mode of securing finance, the A.L.P. in Tasmania⁴² was as blithely unaware of conflict of interest as it had seemed to be in 1947. This, briefly, is what occurred. On July 2, the Premier, Mr. E.E. Reece, was handed a letter and a document purporting to be a statutory declaration by a Mr. Hugh Dell, which outlined certain events alleged by Mr. Dell to have occurred between 1969 and 1972, during which period he, Dell, had been the Premier's private secretary.⁴³ This document, which had already been widely published in the state and national student press, claimed that a conspiracy had

41. See the extracts quoted on pp. 195-197.

42. The A.L.P. has so established itself as the dominant political organization in Tasmania that most discussion of the nature of public ethics in Tasmania must needs be discussion of the Tasmanian A.L.P. Nonetheless, as will be argued shortly, these observations concerning the A.L.P. in Tasmania did have a much wider currency.

43. Despite having worked for Mr. Reece for some years, it was known that a considerable degree of personal animosity existed between Mr. Reece and Mr. Dell. At the 1973 State A.L.P. conference, Mr. Dell had accused Mr. Reece of breaking party rules, to which Mr. Reece had responded: "Throw that animal out!" Mr. Dell was subsequently expelled from the A.L.P. and at the 1974 State conference on a motion aimed at his reinstatement, Mr. Dell was roundly criticized (most notably by Senator Wriedt), for providing the Leader of the Opposition, Mr. Bingham, with material injurious to the A.L.P., though Dell himself claimed that he had only presented Mr. Bingham with his allegations and evidence after attempts to have the matter investigated within the A.L.P. had proved fruitless.

been entered into by certain members of the then A.L.P. Opposition and a member of the coalition Liberal-Centre Party Government, to bring that government down and precipitate an election. It was alleged that Mr. K.O. Lyons,⁴⁴ deputy-Premier and sole representative of the Centre Party in the Tasmanian House of Assembly, resigned in March 1972 as a result of inducements offered him - to wit, a payment of about \$29,000 on the mortgage of his home and the offer of a job at a salary not less than his ministerial salary. The money, it was held, would be raised by Tasmanian bookmakers and Federal Hotels (owners of the Wrest Point Casino). The resignation of Mr. Lyons and the payment of money was said to have been organized by Mr. (later Senator) Mervyn Everett, at that time deputy-Leader in the state Opposition, and subsequently deputy-Premier.

Despite widespread demand for a royal commission, the Premier instituted a police inquiry. On December 4, 1973, the Premier released select sections of the report on the inquiry (by Mr. D.Dawson, Q.C.) to the House of Assembly. These extracts cleared Mr. Everett and Mr. Lyons of the bribery charges.

Reaction to the police report was mixed. The Government took it as nothing less than a complete vindication of the probity of all involved, whereas the Opposition and an element within the A.L.P. labelled it a whitewash and renewed their calls for a royal commission. But in all the ensuing furore over the report, no attention was paid to the problems of conflict of interest which it revealed; these were ignored as though the participants in the debate were unaware of their existence, which, most probably, was indeed the case.

44. A son of the former prime minister, Joseph Lyons.

Mr. Everett, for instance, received two payments from the Tasmanian Bookmaker's Association. Only the second of these two gifts, according to the Dawson Report, was actually paid into party funds by Mr. Everett, and even then neither the donors nor Mr. Everett seem to have bothered ascertaining the amount involved (it was in \$10 and \$20 notes crammed in a satchel) and it appeared in the A.L.P. cash book as the gift of an anonymous donor. Even stranger were the circumstances of the first of the two donations, for on this occasion the money did not even find its way into officially-audited A.L.P. funds. The bookmaker's representative, Mr. Frank Watt, gave Mr. Everett \$800 "to disperse at his discretion", as *The Examiner* reported,⁴⁵ and "the money was not paid to the funds of the A.L.P. but was in due course spent on party proposals by Mr. Everett."⁴⁶ The Government at the time was considering important proposed amendments to the Racing and Gaming Bill aimed at establishing T.A.B. facilities in Tasmania, which the bookmakers were fiercely resisting. It is inconceivable that Tasmanian bookmakers, faced with what they believed to be a threat to their very existence, would donate large sums of money to a political party with no expectation of a quid pro quo. Mr. Everett, as a senior member of the Parliamentary Labor Party and a likely attorney-general in a Labor government, had clearly compromised his position by accepting the role of emissary in the transfer of money from the bookmakers to the A.L.P., particularly in view of the clandestine and unorthodox nature of the transaction, in

45. *The Examiner*, December 5, 1973, p.2.

46. *ibid.*, p.2. This finding of the investigating officer directly contradicts statements made some months previously by the State A.L.P. Treasurer, Mr. Doug Lowe, M.H.A., who claimed in a television interview that all moneys donated to the A.L.P. were duly recorded in the A.L.P. cash book.

which dispersal of the donation was given over to the discretion of Mr. Everett, not the party's authorized officers.

The position of Mr. Lyons is even more instructive, and the Dawson Report actually spells out this particular conflict of interest situation:

It is a fair inference that the relationship between Lyons and Federal Hotels which led him to approach the company for a loan began or developed while he was a minister of the Crown in Tasmania.⁴⁷

The relationship between Mr. Lyons and British Tobacco is also interesting. The police inquiry reported that the \$25,000 with which Mr. Lyons paid his mortgage (or part thereof) was provided by British Tobacco as payment for the rights of Lyons' memoirs. This seemingly exorbitant price to pay for the memoirs of a small state political personality, who, despite his long, unpredictable career in state politics, will probably be remembered by history primarily for being the son of a former prime minister than for any political achievement of his own, is explained thus by the report (not to everyone's complete satisfaction):

Mr. Dawson said there was evidence that British Tobacco was willing to pay for the memoirs to have some control over them because it was likely the memoirs would refer to senior officers of the company.⁴⁸

The report provides no indication of the exact timing of this payment by British Tobacco to Mr. Lyons, but it has already been noted that it was about this time that the Attorney-General in the Government

47. quoted by *ibid.*, p.2. Subsequent upon his resignation from State parliament Mr. Lyons became a partner in a Melbourne public relations firm which did much business for Federal Hotels.

48. *ibid.*, p.2.

of which Mr. Lyons was a senior member was prosecuting certain individuals alleged to have been involved in an illegal land dummying conspiracy on behalf of British Tobacco.⁴⁹ Given the obviously delicate relationship existing at (or about) that time between British Tobacco and the Liberal-Centre Party Government, Mr. Lyons' relationship with the company was clearly questionable.

As the Dawson Report seems to have established the existence of conflict of interest in the case of at least two of the principals to the inquiry, it might have been thought to have provided an important focus for public discussion of these matters. No such discussion occurred however. As already stated, the Government itself chose to interpret the report as a complete vindication of those concerned and either failed to see or completely ignored the revelations of conflict of interest. If the former, they were greatly assisted by the complete inability of all other political commentators - press, Opposition, or A.L.P. rebels - to fasten onto the potential significance of the relationships of Lyons and Everett with the companies mentioned. No critic came any nearer to spelling out the conflict of interest revelations than Mr. Dell, whose claims initiated it all,

49. In fact, in the wake of the presentation of the Dawson Report, rumours circulated linking this particular scandal with the earlier allegations involving British Tobacco, and particularly with the abrupt dropping of the case against the alleged conspirators by the Attorney-General. In view of the statement quoted above - that "British Tobacco was willing to pay for the memoirs to have some control over them because it was likely the memoirs would refer to senior officers of the company" - the existence of such rumours is understandable. In any case, the Attorney-General's prosecution of parties to the alleged British Tobacco land dummying makes one of Mr. Dawson's subsequent remarks rather ingenuous. He stated: "It is difficult to conceive any interest which British Tobacco might have had in the resignation of Mr. Lyons". (quoted by *ibid.*, p.2.) As Mr. Lyons held the balance of power in a Government whose Attorney-General had embarked on prosecutions potentially injurious to British Tobacco, it is very easy to conceive of an interest which British Tobacco might have had in the resignation of Mr. Lyons.

and who reacted to the Dawson Report thus: "The report by Mr. Dawson ... provides grounds for at least three separate Royal Commissions".⁵⁰ Mr. Deil does not go on to spell out the exact grounds for these "three separate Royal Commissions", and his reaction is fairly typical of most of those to whom the report was not as expected or desired - most critical comment expressed a vaguely felt dissatisfaction that all was still not well, that the report was not the complete vindication of the parties involved as claimed by the Government, but no critic put his finger on the apparent conflict of interest situations of Everett and Lyons as specific grounds for dissatisfaction with the comportment of high-placed political personages. It would seem then, that Tasmanians are in general much less aware of and concerned about conflict of interest as it occurs in practice than their reactions to a generally-worded hypothetical situation, such as that posited in a survey of people's attitudes, would suggest.⁵¹

If this is the case in Tasmania, is it any different in other Australian states? Undoubtedly acceptance of gifts and favours by individuals charged with pursuance of the public good has occurred

50. Quoted by *ibid.*, p.2.

51. Further evidence supporting this contention is not difficult to locate. Late in 1974 allegations were levelled at certain members of the Hobart City Council, charging them with collusion with certain Hobart developers. In particular an apparent link between the Lord Mayor, Alderman Ron Soundy, and the real estate firm of L.J.Hooker and Edney Moore was the focus of considerable attention. Questioned on television about whether in Hobart's small business community, information was passed on that could benefit "certain parties", Soundy replied: "Probably, because you know people, you may pass a comment in the street, or a comment that might be interpreted one way or another, but ... I don't believe there is anything intentionally done, anyway" (as quoted in *Nation Review*, Nov.22-28, 1974, p.153.). Mr. Soundy's remark, in its casual innocence, reflects the same vague and off-hand attitude towards conflict of interest that is evident in the reactions to the Deil allegations.

in other states besides Tasmania, and probably still does. At least one occurrence of this has been well publicized in recent years, and this instance will now be examined in greater depth.

In June 1970 it came to light that six Queensland cabinet ministers had received gifts of preferential shares from the RTZ subsidiary, Comalco.⁵² Six senior public servants had also received preferential shares, as had a number of journalists, one Labor M.P. and the state secretary and president of the A.L.P. Reaction to the news of the share handouts is notable for the variation in degree of attention accorded it and in the range of attitudes towards it.

Murphy describes reaction from within the parties thus:

Within the political parties there was almost unanimous outcries against the share deals. The Liberals at their annual conference called for ministers to declare their share holdings to Cabinet colleagues and to place their share portfolios in the hands of trustees; the Country party central council established a committee, headed by the former premier Sir Francis Nicklin which recommended to the party's annual conference that no ministers, state or federal, should accept preferential treatment in any share issue; the Labor party probably came off worst in that an excellent stick with which to beat the government was broken by the suspicions among branches and unions that all was not above board in their own camp.⁵³

52. Relations between Comalco and the Queensland Government had always been close. D.J. Murphy writes:

In 1957 when the Country-Liberal government was elected after the Labor split, Comalco undertook to spend \$12 million building a town and harbour at Weipa on the bauxite field in Cape York and an alumina refinery in the State. However, since then it has been the government, not the company which has built the town and harbour. Moreover in 1961, the government allowed the export of 500,000 tons of raw bauxite to Japan contrary to the original agreement regarding refining in Queensland. Comalco has done very well out of the Queensland government.

(D.J. Murphy, *Australian Political Chronicle*, May-August, 1970, Queensland", *Australian Journal of Politics and History*, Vol. 16 (1970), No.3, p. 413.)

53. *ibid.*, p. 413.

If news of the share issues threw the parties into turmoil, such turbulence contrasts with the lack of outcry in the press, where it was virtually ignored by leader writers and public alike. The *Australian's* editorial of July 31, 1970, is a conspicuous exception and demonstrated a concern for the dangers of conflict of interest similar to that expressed within the parties. The editorial declared:

The attitude exemplified by Mr. Bjelke-Peterson's Cabinet (but by no means confined to Queensland) is one of the most extraordinary political mis-judgements of recent times. Comalco, whose misconceived share issue set off the latest round of discussion, has already faded from the public argument. The odium of the affair is left almost entirely with politicians and politics so far as the public is concerned.... In the public interest governments are rightly extending the principles of disclosure or outright avoidance of conflict to many sections of the community outside government. They have no immunity from the same principles themselves.⁵⁴

The same extremes of reaction can be seen in the parliamentary debates on the subject. The Leader of the Opposition, Mr. J.W. Houston, successfully moved a suspension of standing orders on July 22, 1970 to allow debate on the matter before the address in reply to the Governor's speech, and the matter was again debated on July 29, when Mr. Houston dissented from a Speaker's ruling of July 22. Commentators agree that the debates did Parliament little credit, and nothing to clarify the confusion surrounding questions of conflict of interest.⁵⁵

54. The *Australian*, July 31, 1970, p.8.

55. Murphy writes:

The premier did not reply but allowed the independent member for Townsville South, Mr. T. Aikens, a long term expellee of the A.L.P. to reply and divert attention from the ministers to those numbers of the A.L.P. involved in the share dealing. It was widely rumoured that the information had been supplied to him by the government. When he did reply, the premier's speech maintained the generally low calibre of the debate,
(contd.)

The attitude of Queensland Premier, Mr. Bjelke-Petersen excited more comment than anything else revealed by the parliamentary debates. The *Australian* stated: "from the outset the Queensland Premier, Mr. Bjelke-Petersen, has simply denied the existence of any conflict of interest question."⁵⁶ Mr. Bjelke-Petersen not only attacked the Opposition on the grounds that "many more vital issues could have taken precedence over an issue such as this",⁵⁷ but claimed that not to hold shares in private companies exhibited lack of interest or confidence in Queensland's development, and that such people were unfit to hold political office.⁵⁸ On July 29, Mr. Bjelke-Petersen further claimed that it was "abundantly clear" that:

... simply because a citizen happens to be a Minister of the Crown he cannot be expected to forfeit his natural right as a citizen to invest his money *in any way he likes*, provided it is compatible with the honest administration of his office, to which he is committed under oath.⁵⁹

while the treasurer, Mr. Chalk, determined to even the score with Senator Georges [who had been most outspoken on the issue] by casting aspersions on the latter's reason for anglicizing his Greek name.

(Murphy, *op.cit.*, p.415.) The *Australian* commented:

For the time being it seems that this week's debate in the Queensland Parliament will be the last whimper in the political arena of the conflict of interest debate based on shareholdings of ministers of the Crown. It was a thoroughly unproductive debate, if it even deserves to be called one.

(The *Australian*, July 31, 1970, p.8.)

56. *ibid.*, p.8. The *Australian* is doing Mr. Bjelke-Petersen something of an injustice, for though, as we shall see, he does not believe there should be any restrictions on ministerial shareholdings, he does accept the undesirability of ministers holding directorships.
57. *Queensland Parliamentary Debates*, 22 July 1970, p.21.
58. *ibid.*, p.22. He stated:
The Leader of the Opposition ... confessed that he had no shares in any company or in anything else in this State. I ask what kind of man he is to seek to lead this State after making such a confession? He is not prepared to invest in any company or back any company in this State.
59. *Q.P.D.*, 29 July, 1970, p. 149 (emphasis added).

It was this particular statement which the press highlighted as the essence of Mr. Bjelke-Petersen's position. What sort of investment he saw as "incompatible with the honest administration of his office" is nowhere indicated. Certainly he did not believe that the acceptance of preferential shares by cabinet ministers from a business interest whose dealings with the Government had frequently proven controversial in the past fell into this category.⁶⁰ He did refer approvingly to the existing situation as laid down by his predecessor, Sir Francis Nicklin, who, in Mr. Bjelke-Petersen's own words:

In 1957 ... set down certain principles relative to the procedures to be adopted by Ministers. One was that they must resign from directorships, which is, of course, very important. This had not applied before then. This principle was adopted, and it is still being followed.... It was also observed that if a Minister had an interest in a particular company, he should acquaint Cabinet of that fact. This is still our policy.^{61, 62}

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60. In this respect Mr. Bjelke-Petersen is in stark contrast with the Liberal Prime Minister of the day, Mr. John Gorton. Mr. Gorton, who had also been offered preferential shares by Comalco, rejected the offer, suggesting, in the words of Playford:

acceptance of the shares could give the impression that they were being singled out for special treatment - and that would be undesirable in the light of Comalco's dealings with the Government. He laid stress on the fact that subscribers to the flotation would almost certainly make a quick-scale profit.

(Playford, *op.cit.*, p.70.)

61. *Q.P.D.*, 22 July, 1970, p.24. Following this statement this exchange took place:

Mr. Houston: What if 14 members of Cabinet have an interest?

Mr. Bjelke-Petersen: Again, that is a hypothetical case. In the case of preferential share offers such as that of Comalco the case is, however, not hypothetical. Unfortunately, given the unruly and often irrelevant nature of the debate, such finer points were typically lost in the desire of participants to score political points off opponents.

62. Mr. Bjelke-Petersen is, however, being somewhat ingenuous in attempting to equate his position with that of ex-Premier Nicklin. As noted earlier (see p.299), the Country Party
- (contd.)

It is notable that these safeguards apply to the cabinet room only and not to Parliament, and Mr. Bjelke-Petersen clearly believed that no parliamentary safeguards were necessary. He did indicate that one reason for his opposition to Mr. Houston's motion⁶³ was that, by its application to ministers only, it left members of the Opposition free to indulge in any share-dealing they wished. Many Opposition members indicated they would be prepared to accept an amendment to apply to the entire Parliament but Mr. Bjelke-Petersen declined to move so,⁶⁴ and a reader of the debate is left with the distinct impression that in this particular objection the Premier was not completely sincere, and that his real position was one of opposition to any form of parliamentary control.

The opinions of the Premier's cabinet colleagues were substantially similar to those of Mr. Bjelke-Petersen. The deputy Premier,

committee headed by Nicklin had recommended that ministers should not accept shares in circumstances similar to that of the Comalco preferential share offer, which is in sharp contrast to Bjelke-Petersen's strong parliamentary defence of his cabinet colleagues. Mr. Nicklin is also on record as opposing investment by ministers in certain areas of development - in 1962 he asked ministers "to refrain from investing in oil shares". (*Q.P.D.*, 15 March, 1962, p.2420). As we have seen, Mr. Bjelke-Petersen believes that a minister has the "natural right" as a citizen to invest his money in any way he likes.

63. The motion read as follows:

that legislation be introduced to forbid Cabinet Ministers and members of their immediate family from holding shares in companies which could be expected to have dealings with the Government through a member of Cabinet.

(*Q.P.D.*, 22 July, 1970, p.13.)

64. The following was a typical exchange:

Mr. Bjelke-Petersen: I cannot, I will not, accept the motion in the words in which it is stated. It is restricted only to Cabinet Ministers and leaves all hon. members opposite and their supporters free to do what they want to do.

Mr. Sherrington, A.L.F.): Move an amendment.

Mr. Bjelke-Petersen: Why did not hon. members opposite do that when they framed the motion?"

(*ibid.*, p.25.)

Mr. (now Sir Gordon) Chalk, recipient of the largest parcel of Comalco shares, maintained, for instance:

They are regarded as being a good risk I know; on the other hand they are share dealings in which any person is entitled to take part. I do not believe that because I have been elected a member of Cabinet I have lost my citizenship. I do not believe that I am any different from anyone out in the street.⁶⁵

while the Minister for Mines and Main Roads, Mr. Camm, figured in this exchange:

Mr. Camm: The A.L.P. would prohibit a Cabinet Minister and members of his immediate family from holding shares in any company in Queensland. If it takes that attitude what a sterile type of member we will have in Parliament, men who are not interested in any commercial enterprise in this State, men who have not the ability to build up a bit of capital to invest in commercial enterprises developing this State.... I do not accept the Opposition's view that a Minister or any member of Parliament should come under any suspicion whatever. There is nothing wrong or sinful in a Minister buying or owning shares.

Mr. Houston: You could make a million out of it and you know it.

Mr. Camm: Ministers are accepted as honest people in the community. Surely they do not automatically become dishonest when they buy shares. There are many ways, if a Minister is dishonest, in which he can be influenced by outside interests.

Mr. Sherrington (A.L.P.): You compromise yourself once you accept them.

Mr. Camm: Ministers in all States of the Commonwealth and in Parliaments overseas have been doing this for years.⁶⁶

This section of Mr. Camm's speech succinctly sums up the position of Mr. Bjelke-Petersen and the Government, and highlights the enormous gulf between their opinions on conflict of interest

65. *ibid.*, p.33.

66. *ibid.*, pp. 40-41.

and the views expressed by other members of the House.⁶⁷ Opposition speakers were explicit in their discussion of the nature of conflict of interest, of why it should be avoided and why the Comalco share offer was a very clear case of conflict of interest. Mr. Houston, the Leader of the Opposition, stated of his own offer:

When the offer was made to me, I believed that it was a gift of some substance. I believed also that it was preferential treatment; that, in making the offer, the company was wrong, and that for me to accept the offer would be equally wrong. In fact, I felt that this was too close to a bribe... that I was not prepared to entertain it in any circumstances. It makes one ask why only six other people were offered shares. Surely none of us was offered this interest in the company other than because of the position he held. I have never had an investment in any company; I have never had any association with any brokers or dealers; not at any time did I show any inclination to be interested in share dealings.⁶⁸

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67. Even anti-A.L.F. independent Mr. Aikens, who was the first speaker *against* Mr. Houston's motion, stated:

I was overseas when I heard of the offer of these shares to various people in Queensland. I was quite distressed to learn that Comalco had decided to introduce into Queensland some of the putrid aspects of politics for which American politics have been notorious for so long. It has introduced into Queensland, and into parliamentary sections of this House, the putridity that we should do all we possibly can to avoid.... I am not going to spare the Government or any member of it who accepted these shares, because I believe that they were a bribe, that they knew they were a bribe and that they should not have taken that bribe.

(*ibid.*, p.17.)

68. *ibid.*, p.9. Mr. Houston went on further to develop this last point:

The point I am making is that only six other people received the offer. As I said, I was the only member in the senior ranks of the Opposition who received it. My deputy leader was not offered any shares. Why were only six Cabinet Ministers offered the shares? What was the purpose behind it? Surely the public statement made by the company to justify its action - namely, that they offered shares to a cross-section of people in the community, people for whom they had a high regard - will not satisfy the public or this Parliament.... My point is that I believe that each of us in the positions we hold would have left ourselves open to certain feelings by the public if we were to accept the offer. This is what we want to avoid, and I hope by the action I am taking today to make

(contd.)

In sum then, the debate revealed a total lack of consensus on the nature and significance of conflict of interest. At one extreme the Premier, Mr. Bjelke-Petersen, virtually denied the very existence of conflict of interest, maintaining that public figures who were unwilling to become financially involved in developmental enterprises on a personal basis were acting unpatriotically by exhibiting a lack of confidence in the future of, in this case, Queensland. Furthermore, as no meaningful distinction could be made between companies which have dealings with the government and those which do not,⁶⁹ and as Cabinet ministers (and presumably other public figures) should not be denied the right of all citizens to invest their money in any way they see fit, it was wrong to impose any such unwarranted restriction. At the other extreme Mr. Houston, the Leader of the Opposition, showed considerable awareness of what he saw to be the dangers of cabinet ministers holding shares in private companies; that the holding of such shares jeopardized the ability of the person so placed to arrive at a decision strictly in the public interest as distinct from his own personal interest, and that it seriously impaired public confidence in government by creating an impression of collusion between government and big business. Outside of parliament the same confusion and lack of consensus was

sure that our Cabinet is constituted of men who are so placed that no reflection can be made on the high offices they hold.

69. *ibid.*, p.22. Mr. Bjelke-Petersen said:

Which companies are the ones that are expected to have dealings with the Government? Comalco is 13 years old. (interjection by Mr. Aikens: Every company in Queensland) Yes, every company in Queensland, and outside Queensland All I am doing is to illustrate my contention that the Government has dealings with almost any company. What company does the Government not have dealings with?

apparent. Within the parties considerable concern was evinced, but the public regarded the revelations and ensuing controversy without interest, and though the press, when moved to comment, did adopt a position closer to Mr. Houston, than Mr. Ejelke-Petersen, their attitude was also largely one of lack of interest.

It cannot be said, furthermore, that the debates helped clarify the position, nor assist the formation of some rudimentary consensus regarding conflict of interest. As we have seen, most commentators agreed that the debates did little for the standing of parliament and that speakers were more concerned with political point-scoring than with clarification of the problem at hand. Indeed, the debate had strong ideological undertones, and it may be that confusion and difference of opinion concerning conflict of interest is at least partly attributable to difference in political philosophy among the participants. During his July 22 speech Mr. Houston said:

I believe that many of the industrial problems of today can be attributed to the greed of human beings, and to investors who want to make money sitting back whilst the workers toil and use their skills for them. We do not want that state of affairs here.⁷⁰

Shortly thereafter the following exchange took place:

Mr. Houston: I laid it down quite clearly during the last election campaign that Labour Cabinet Ministers would not be allowed to hold shares. In South Australia, Don Dunstan laid it down that

Mr. Camm: A Socialist Government, of course.

Mr. Houston: The hon. gentleman wants to trade on his position.

Mr. Camm: There would not be any shares because there would not be any companies under Labour. That is the whole idea.⁷¹

70. *ibid.*, p.12.

71. *ibid.*, p.13.

In general then, the debates in Queensland revealed the same low level of interest in, concern for, and consensus about this aspect of conflict of interest that has been apparent in Tasmania.⁷² It is obvious that a considerably greater degree of public attention will need to be focused on the question of public figures accepting gifts from companies involved in negotiations with government before anything approaching a consensus on what is and what is not a permissible relationship between a person in a position of public trust and a sectional interest is reached.

If there is confusion on the point of whether public officials should be permitted to accept gifts from companies having dealings with government there is likely to be even less consensus concerning the question of whether a person ascending to public office should be required to make a blanket divestiture of shareholdings (assuming that the direction in which Australia is slowly moving is towards consideration of conflict of interest as undesirable). Yet this point has been comparatively well canvassed, which, in the light of the previous discussion seems rather like putting the cart before the horse. On *Four Corners*,⁷³ October 15, 1971, Federal M.H.R.s Daley and Hurford (A.L.P.) and Killen and Staley (Liberal) all

72. John Playford looks at similar cases of conflict of interest in Victoria, and arrives at conclusions which are in conformity with those arising from the above analyses of the Tasmanian and Queensland controversies. He discusses the large number of ministers in the later Bolte governments who held directorships (V.O.Dickie, R.J.Hamer, L.Thompson and Sir Arthur Rylah are specifically mentioned, though he concentrates on Rylah who held substantial interests in Easywear and Avis while Attorney-General, and around whose business activities considerable public discussion developed), and the terms in which Sir Henry Bolte defended his ministers reveal an attitude to conflict of interest somewhat similar to that of Mr. Bjelke-Petersen. (Playford, *op.cit.*, pp. 63-65.)

73. *Four Corners*, A.B.C.-TV, September 26, 1971.

agreed that ministers should be required to sell shares on taking up their posts, though they did not believe it necessary for parliamentarians to do so. Mr. Killen did, however, suggest that a parliamentarian should be required to declare a direct financial interest when parliament had direct (and he stressed direct) dealings with a company. Mr. Hurford called for a systematic set of rules and guidelines to enable the parliamentarian or minister to know precisely where he stands.

The "hard line" of these M.H.R.s contrasts starkly with the views of Mr. Bjelke-Petersen's cabinet, and the question arises: is this a symptom of the different attitudes of different levels of government? In the preceding chapter it was noted that within Australia's three tiered structure of government corruption was more commonly associated with local government than with state government which in turn was more commonly associated with corruption than was federal government. If this is an accurate reflection of reality one might expect a more stringently restrictive attitude towards conflict of interest at federal level than state level. One would also expect to see even less appreciation of conflict of interest at local government level than has been noted at the state tier of government. Is this the case? It seems almost beyond doubt that it is. "Local government in Australia," writes MacCallum, "has traditionally been the natural habitat of real estate agents, land developers and superannuated union officials."⁷⁴ Given that much local government decision making is concerned with land allotment for development and other purposes, individuals from the first two of MacCallum's

74. Mungo MacCallum, "Sydney Yawns Through Election", *Nation Review*, October 1, 1971, p. 1441.

three categories of people who typically seek local government office will clearly frequently find themselves in conflict of interest situations. Occasionally some protest is raised at the number of estate agents and land developers involved in local government. "Municipal elections are on again tomorrow and once again the usual crop of estate agents is standing for election," wrote "Concerned" of Carlton in the *Melbourne Sun*. "This is not allowed in England and should not be allowed here," the correspondent continued: "The interests of estate agents in council decisions are too often too great".⁷⁵ On the television programme *Four Corners*, architect Harry Sibling stated that people in real estate should "as a matter of form," not stand for local government, for "conflicts of interest arise too readily from their prior knowledge of land development and their vested interests in this field."⁷⁶ He pointed out that no fewer than nine real estate agents stood for the Randwick Council September 1971 elections, a number which was statistically most unlikely unless some good reason prevailed to attract estate agents specifically to local government. Small wonder that the mayor of a Sydney suburban council should say on the same programme: "Progress is too often a euphemism for profit; the cry for progress too often comes from the hip pocket."⁷⁷ Yet these protests occur most infrequently and are generally ignored by the public and media. It is difficult to reach any conclusion other than that conflict of interest in local government is not of great concern to most Australians.

It has already been noted that at the state level the approach

75. The *Sun* (Melbourne), August 25, 1972, p. 9.

76. *Four Corners*, *op.cit.*

77. *ibid.*

of politicians to conflict of interest is apparently much less restrictive than the view expressed by the four M.H.R.s⁷⁸ on *Four Corners*, and would seem to be closer to the views which appear to be prevalent at the level of local government. It can certainly be stated with some confidence that at the level of federal government, a hard line has long been taken towards questions of conflict of interest.⁷⁹ John Stubbs traces the high priority accorded

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78. At the time of writing the House of Representatives was considering the question of the desirability of a "register" of the interests of parliamentarians (and possibly senior public servants). To the author's knowledge no such debate has taken place at the levels of state or local government. During the first six months of 1975, however, considerable focus was centred on the question of the financial dealings of federal M.P.s. As S44(v) of the Constitution expressly forbids any person holding "any direct or indirect pecuniary interest in any agreement with the Public Service of the Commonwealth otherwise than as a member and in common with the other members of an incorporated company consisting of more than twenty-five persons" from sitting in the House of Representatives or Senate, the eligibility of some parliamentarians was questioned, and the right of Senator J.J. Webster (Country Party, Victoria) to continue to sit in the Senate was only established by a ruling of the Court of Disputed Returns. The matter was also highlighted by the private business activities of Mr. Philip Cairns, step-son and staff member of Dr. J.F. Cairns, for a time Treasurer and Deputy Prime Minister, and by the investigations of the Joint Parliamentary Committee on the Pecuniary Interests of Members of the Parliament. The final Report of this committee, brought down on September 30, 1975, proposed that Ministers be barred from directorships of public companies, and that they get rid of shares in companies which could be affected by their decisions. M.P.s would be obliged to lodge an annual statutory declaration of directorships, shares, land and sponsored travel in which they have a "beneficial interest". Ministerial (and shadow ministry) staffs would be required to declare their interests, and a special register would be set up for journalists executives and directors of news organizations accredited to the Federal Parliament.
79. In this respect it is interesting to note the formal requirements concerning ministers and parliamentarians operating at federal level. S44(v) has been discussed in the above footnote. Also relevant is S45(iii), which declares that any parliamentarian who "takes or agrees to take any fee or honorarium for services rendered to the Commonwealth, or for services rendered in the Parliament to any person or state" shall have his seat declared vacant. There also are two Standing Orders of the House of Representatives which are important (though
(contd.)

conflict of interest in federal politics to the ministry of Joseph Lyons:

It was not until 1938⁸⁰ that the idea was first supported by a prime minister in public when one of Lyons' ministers was forced to resign.... Lyons' principle only went as far as to lay down that no minister should be a director of a company which had dealings with the department he was in charge of.⁸¹

It was thus left to Sir Robert Menzies to firmly assert the total avoidance of *all* possible situations of conflict of interest -

there is no Standing Order under which a Senator can challenge a colleague's vote on the grounds of conflict of interest). Standing Order 1 provides for all cases "not provided for hereinafter" to be resolved according to practice in the British House of Commons, and Standing Order 196 holds that "no member shall be entitled to vote in any division upon a question ... in which he has a direct pecuniary interest..." The word "direct" has consistently bedevilled attempts to apply Standing Order 196. According to D.M. Blake:

There have been a number of challenges in the House of Representatives on the ground of pecuniary interest and in each case the Motion was negatived or ruled out of order ... in order to operate as a disqualification this interest must be immediate and personal and not merely of a general or a remote character.... Therefore, it would seem highly unlikely that a Member could draw unto himself a disqualification of voting rights in the House of Representatives, because the House is primarily, if not solely, concerned with matters of public or state interest and rarely does it deal with private issues.

(D.M. Blake, "Pecuniary Interests of Ministers and Members : Australia", *The Parliamentarian*, Vol.51 (1970), No.3, pp.187-188.)

80. On this occasion the Postmaster-General, Senator A.J. McLachlan, resigned when it became known that he was a director of certain companies which sometimes tendered for contracts with his department. This was the first ministerial resignation over conflict of interest in the Australian Parliament. As Blake points out, a similar case occurred in 1913, but did *not* result in the minister's resignation. (*ibid.*, p.186.) For a succinct summary of the incident involving McLachlan the reader is referred to Encel, *Cabinet Government in Australia*, *op.cit.* Encel refers to this as "the most notable case in federal politics involving conflict of interest." (p.138).
81. John Stubbs, "Keeping M.P.s Out of Business", *The Australian*, May 14, 1966, p.8.

including those likely to arise in areas outside the immediate scope of a minister's portfolio - as a major principle of political ethics in federal government.⁸²

The position at federal level is obviously much different from that which seems to prevail at the level of local government, and on the basis of the two examples which have been analysed earlier in this chapter, it would seem that state politics is closer to local than federal government in its approach to conflict of interest.⁸³ In fact this may not be entirely the case, or at least there may be significant differences between the various states which make it difficult to sustain generalizations of this fashion. In South Australia, for example, the Premier, Mr. D. Dunstan, has instructed his ministers to divest themselves of all shareholdings. Paradoxically though, in view of the debate which followed the revelation of the Comalco share offer where the Government defended the right of ministers to receive share gifts from private companies, it is Queensland which has provided the most illuminating recent discussion of the question of whether a parliamentarian or minister should be

82. *ibid.*, p. 8.

83. Thus Stubbs writes:

The situation is still different in the states, particularly in the Upper Houses of South Australia, Victoria and New South Wales and in the connection between Queensland politicians and mining companies which has gone on since the 1880s.

(*ibid.*, p.8.) Similar views are expressed by Encel and Playford. Encel states that "since the 1930s the problem has been almost unknown in federal politics" (Cabinet Government in Australia, *op.cit.*, p.139). though these high standards are "often departed from at state level" (*ibid.*, p.140). Playford writes, more optimistically: "At the state political level, a general, if rather uneven, trend towards the standards observed in Federal politics may be discerned." (Playford, *op.cit.*, p. 67.)

required to sell all his shares as a matter of course on ascendancy to the ministry. In the wake of controversy surrounding revelations in 1969 of the oil interests of the Premier, Mr. Bjelke-Petersen, the Leader of the Opposition, Mr. Houston, stated that if he became Premier, all ministers would have to sell their shares. This is the position one would expect Mr. Houston to take in light of the 1970 controversy which has already been examined. Of more interest in light of the Comalco share offer controversy is the position of the Liberal leader, Mr. Chalk, who according to Mervyn Rutherford:

appeared on a "Meet the Press" television programme last week ...[and] duly indicated his belief that there had been no impropriety on the part of his leader. When pressed, however, he was explicit that if, as expected, he became Premier after the elections, all ministers would have to sell their shares.⁸⁴

How is this statement by Mr. Chalk to be reconciled with the undeniable fact of his acceptance of a gift of \$3,500 worth of shares from Comalco less than twelve months later? Mr. Chalk gave no indication in the speech he made on July 22, 1970, of the vastly different position he had espoused in May 1969. Refer to the section of his speech already quoted (n.65) in which he claimed the right to engage in share dealings on the same basis as any other citizen ("I do not believe that I am any different from anyone out in the street."). Moreover, Mr. Chalk indicated in this speech that his share dealings extended far beyond Comalco. He freely admitted that he was a "selected customer" of a certain broker⁸⁵ - indeed, this was not so much an admission as a major plank in his explanation of how he came by the Comalco shares - and in explanation of the nature of the

84. Mervyn Rutherford, writing in *Nation*, May 17, 1969, p.5.

85. *Q.P.D.*, July 22, 1970, pp. 32-33.

communication received from his broker re the Comalco share offer he said: "This is the usual type of letter. I could produce dozens of these letters from various companies in which I have an investment."⁸⁶ All this is rather strange coming from a person recorded as opposed to ministers holding shares at all. If Mr. Rutherford has accurately reported the statements of Mr. Chalk on the "Meet the Press" programme it is hardly possible to credit Mr. Chalk with anything like complete openness on the issue. But Mr. Chalk hardly deserves to be singled out for castigation on this point. He merely mirrors the attitude already noted as prevalent in Tasmanian public life - one of theoretical concern for conflict of interest but a total disregard for it, or an inability to translate it from theory into terms of personal relevance, in practice.

On sum, conflict of interest is a notion on which there is much confusion on the part of public figures, and many people in public trust have shown a willingness to manipulate this confusion for personal and politically partisan ends. This is made possible because of an unconcern for and disinterest in such questions on the part of the media and the general public; a lack of concern which contrasts sharply with the United States and the United Kingdom. Given this situation it is impossible at present to remove conflict of interest from the grey zone, and there is unlikely to be any clarification of the ethical status of conflict of interest questions until the media, the general public, and those holding or aspiring to public office, exhibit a greater willingness to devote time to debating the many problems involved.

86. *ibid.*, p.32.

CHAPTER 10.

LYING IN PARLIAMENT

The question of whether the nature of political activity renders the telling of lies ethically acceptable has long pre-occupied political thinkers. Even Plato, as rigid a moralist as ever turned his attention to the nature of politics, prescribes the "medicinal lie" for his philosopher rulers,¹ and if this course of action could be advocated by a man who conceived his liars to be men capable of apprehending perfect goodness in both thought and action, how much easier for one with a somewhat more cynical view of mankind to also sanction the political lie? Thus Machiavelli wrote:

... contemporary experience shows that princes who have achieved great things have been those who have given their word lightly, who have known how to trick with their cunning, and who, in the end, have overcome those abiding by honest principles.... So it follows that a prudent ruler cannot, and should not, honour his word when it places him at a disadvantage and when the reasons for which he made his promise no longer exist. If all men were good, this precept would not be good; but because men are wretched creatures who would not keep their word to you, you need not keep your word to them. And a prince will never lack excuses to colour his bad faith.... But one must know how to colour one's actions and to be a great liar and deceiver.²

1. Plato states:

... is the spoken falsehood always a hateful thing? Is it not sometimes helpful - in war, for instance, or as a sort of medicine to avert some fit of folly or madness that might make a friend attempt some mischief? And in those legends we were discussing just now, we can turn fiction to account; not knowing the facts about the distant past, we can make our fiction as good an embodiment of truth as possible

[Plato, *The Republic*, trans. by Francis MacDonald Cornford (Oxford: 1941), pp. 72-73.]

2. Niccolo Machiavelli, *The Prince*, trans. by George Bull (Harmondsworth, Eng.: 1961), pp. 99-100.

Views such as this continue to hold currency, notably among schools of thought which are often characterized as "realistic" or "tough-minded". They have, however, been forced to give way before the belief, which has become increasingly dominant, that political leaders have no right to defraud their subjects, whether to keep themselves in power or simply to facilitate more efficient government. The growth of concepts of limited government and constitutionalism are a logical extension of the belief that rulers have certain moral obligations to those over whom they exercise power; obligations which have nothing to do with considerations of maintaining themselves in office. In Britain this belief became manifest in a set of institutions - at the hub of which was Parliament - which set out to establish a chain of accountability between rulers and ruled.

If these institutions were intended to guarantee the responsibility of government to citizenry, it follows that participants in government must not be able to avoid this responsibility by deliberately falsifying situations. Thus a member guilty of deliberately misleading Parliament is expected to resign. *May's Parliamentary Practice* states:

The House may treat the making of a deliberately misleading statement as a contempt.

In 1963 the House resolved that in making a personal statement which contained words which he later admitted not to be true, a former Member had been guilty of a grave contempt (Profumo's case, C.J. (1962/63), 246).³

On the surface it would seem that a member of Parliament who deliberately misleads Parliament has indeed been guilty of corruption,

3. Sir Barnett Cocks (ed.), *Erskine May's Treatise on the Law, Privileges, Proceedings and Usage of Parliament*, 18th edn. (London: 1971), p.138.

for he has certainly transgressed institutional ethics. But what if the ethics of the institution are themselves out of phase with societal norms? Much has been written on the malaise of Parliament, not only in Britain, but in all those political systems which have borrowed their basic institutional framework from the Westminster model. If an aspect of this malaise is an adherence to political values no longer taken seriously in the community at large, can those who transgress institutional norms be held to be corrupt? The reader will recall that a major conclusion reached in the first section of this thesis was that corruption is culturally defined, and will vary, often subtly, through time and space. Obviously institutional values are an extremely important aspect of cultural evaluation of the ethical status of any action, but in a milieu in which the roles of those institutions themselves are subject to continuing reinterpretation, they cannot be held to be the sole criteria for such an evaluation.

In turning to Australia, the question of the political lie will be examined in the context of Parliament, as most controversy concerning the political lie has focused on this institution. As in other countries which have modelled their political systems on Westminster, the role and performance of Australian parliaments has evoked considerable comment. Remembering that lying in Parliament clearly transgresses parliamentary norms, it is relevant to ask whether the expectations of the general public are any different in this regard from those inherent in the institution of Parliament. With this question in mind public reaction to two alleged incidents of deliberate lying in Parliament will be examined. Firstly, though, it would be useful to look at the survey of actors involved in the

TABLE K (n = 91)

<u>Question:</u>	Would you vote for a member of Parliament who you knew had deliberately lied to Parliament?	
<u>Response:</u>		
(i) Under no circumstances		69.22%
(ii) Only if he had other redeeming features		19.78%
(iii) Yes, because while unfortunate, the matter is of insufficient importance to influence your vote		3.30%
(iv) Yes, because lying is a legitimate political tactic		3.30%
(v) No opinion		2.20%
No answer		2.20%

TABLE L (n = 91)

<u>Question:</u>	If a member of Parliament told a deliberate lie in Parliament, would you classify this as:	
<u>Response:</u>		
(i) political corruption		49.45%
(ii) acceptable political behaviour		5.49%
(iii) something else (suggest what if possible)		37.26%
(iv) no opinion		5.49%
No answer		3.30%

decision-making process in Tasmania to ascertain what light, if any, it can shed on this question. The relevant data are contained in Tables K and L.

Each of these questions caused some confusion among respondents. Although the percentage of respondents who declared themselves unable to answer the questions as stated was small (2.20% and 3.30%

respectively), a large number of respondents who did opt for one or other of the categories did so under protest, claiming that the question failed to distinguish between different circumstances under which lies might be told. Typical of respondents who either failed to answer or did so unwillingly were the following comments:

From those who did not answer:

"This would depend entirely on the nature of the lie and the surrounding circumstances.

"If it was for his own personal gain - corruption certainly. However, it is done at every sitting as accepted political behaviour."

From a respondent who selected option (i) in Table L:

"Generally no, but there could be mitigating circumstances."

From a respondent who chose option (iv) in Table M:

"Everything depends upon the character of the lie and the surrounding circumstances."

From these and similar responses one can only conclude that the questions were inadequately structured, for the aim of this particular exercise was to obtain information about whether respondents could envisage any conceivable circumstances under which lying in Parliament was permissible. As many respondents who did envisage such circumstances could find no option in Table K which reflected their opinion, and in some instances, even opted for the response which stood in stark contrast to this view - option (iv): "under no circumstances," which was then qualified to read effectively "under most, but not all, circumstances" - one must be wary of placing too much credence in the data contained in Table K. Nonetheless, the overwhelming support accorded option (i) tends to suggest that, despite the qualifications which some respondents placed upon their

choice of this option, opinion remains strong among politically active Tasmanians that to deliberately mislead Parliament is deserving of strong moral condemnation. Even those who did foresee circumstances in which they would not blame the parliamentary liar tended to regard such circumstances as exceptional. Apart from category (i) respondents, the bulk of the remainder selected option (ii) - indicating that they would only vote for a member who had deliberately misled Parliament if other factors existed to counteract the negative impact of the lie. All these respondents [i.e., those who chose (i) and (ii)], obviously disapproved of the parliamentary lie,⁴ though category (ii) respondents and some of those who selected option (i) but qualified their answer to make the response less definite, might not have assessed it as particularly important. Yet even those few respondents who selected options (iii) and (iv) gave some indication that their opinions might not have been diametrically opposite the beliefs of those who chose options (i) and (iii). One respondent who indicated agreement with the statement "lying is a legitimate political tactic" [option (ii)] commented:

It depends about what he had lied. I'd be much happier had he not done so, and would require a pretty good explanation for his action.

Another option (iv) respondent who identified himself as a member

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4. One category (ii) respondent, for example, commented:
 Prime consideration - did it relate to his parliamentary obligations or to private life. Profumo case must be remembered. Denial of an affair does not offend me: a lie to cover failure in public duty or something directly relating to public life *would* offend me.

As we have seen, Sir Barnett Cocks regards the Profumo instance as central to the convention that a member who deliberately misleads Parliament has committed a contempt. It is of interest that most respondents attempting to illustrate their comments with reference to specific examples referred to the Profumo case.

of the Legislative Council (the state Upper House), stated:

If the member was lieing (sic) to forestall certain questions temporarily and did not make a practice of it, it may be politically wise if he is prepared to state openly he did, but I prefer to tell the truth as I know at all times.

What happened then, is that many of the respondents who selected one of the two extreme possibilities [(i) and (iv)] chose to modify their response in a less extreme direction, and the overall picture which emerged is a rather confused consensus of opinion that under normal circumstances lying in Parliament is definitely improper, but that circumstances may exist from time to time which render it ethically defensible. Such clear-cut opinions as "rather than make a false statement the politician should refrain from making any statement" [from an option (i) respondent] and "a 'white lie' is sometimes necessary and acceptable" (from an option (ii) respondent) were very much the exception rather than the rule.

While a rather confused consensus seems to exist that to deliberately mislead Parliament is wrong, there was, however, considerably less agreement about whether this "wrong-doing" is justifiably labelled "corruption". Here again some respondents were unhappy with the categories provided and wished to qualify their answers. However, this phenomenon was much less marked than in the previous question, particularly among option (i) respondents - those who agreed that lying in Parliament is rightly classified as political corruption. Comments by these respondents (approximately half the total), showed a higher degree of confidence in their responses than was evident in the earlier question. Statements such as "telling a lie is usually for one's own benefit and politically it is no

exception" were fairly typical.⁵

An absence of the same certainty of response is revealed among other respondents. Slightly under half the total number of people replying to the questionnaire were happy with the categorization of lying in Parliament as political corruption, yet very few of the remainder (apart from the 5.49% who held it to constitute acceptable political behaviour) had any idea of what lying in Parliament does constitute. The most popular category outside option (i) was option (iii) - that political corruption is best classified as something other than "political corruption" or "acceptable political behaviour" - which accounted for most of the remainder (36.27%). Yet very few of these respondents could suggest any satisfactory alternative. "Dishonesty, but not necessarily corruption", "bad politics", "dishonourable conduct for which he should resign", "tactical", "stupidity", "reprehensible conduct", "politically unacceptable", "morally irresponsible", and "unparliamentary behaviour" were the epithets used, and of these, only "stupidity" and "dishonesty" were referred to more than once. A more interesting response came from three respondents who believed that lying was simply lying, and incapable of any further classification. One of these commented: "corruption normally involves money or money's worth", revealing a conception of corruption which has already been considered and rejected elsewhere in the thesis - that of corruption as specifically involving material gratification - and it may be

5. Certainly the most colourful comment in this vein was in the form of a versified observation on the Profumo affair:

"What on earth have you done?" said Christine.
 You have wrecked the whole party machine.
 To lie in the nude is not at all crude,
 But to lie in the House is obscene."

that much of the confusion exhibited in the responses to these questions arises from the habit of typically associating corruption with money.

The evidence presented so far then, points to a poorly articulated consensus that lying in Parliament is wrong, but no general agreement as to whether this morally wrong action is sufficiently serious to always constitute corruption. Support for labelling such behaviour "political corruption" is certainly considerable, but the belief that the label is not entirely appropriate is just as strong. On this evidence then, "lying in Parliament" seems best left in the grey zones of political morality, though again it should be remembered that the survey was undertaken among Tasmanians active in public life, and it would be unwise to project from these results general conclusions about the attitudes of Australians, or even about Tasmanians. How does this evidence square with an analysis of actual instances in which Australian members of Parliament have been accused of deliberately misleading Parliament?

The first of the two instances which will be reviewed concerns a series of questions asked in the House of Representatives and Senate during 1967 which were designed to elicit details relating to the use of V.I.P. flights.⁶

The issue of the use which Government members had made and were making of R.A.A.F. Squadron 34 had been developing as an

6. Squadron 34 was established by Sir Robert Menzies to provide nation-wide ministerial transport which was not dependent on the rigidities of domestic airline schedules. Ray Aitchison comments:

It had been necessary.... However, knowing that the Australian public did not like politicians much and was always critical of Government spending, and resentful of anything that hinted at privilege, Menzies had done his best to keep the operations of Squadron Thirty-Four as secret as possible.

[Ray Aitchison, *From Bob to Bungles* (Melbourne: 1970), p.59.]

increasingly contentious matter for some time. For approximately two years prior to its blossoming into a major embarrassment for the Holt Government late in 1967, independent Tasmanian Senator, Dr. R.J.D. Turnbull, had pressed constantly, with occasional assistance from D.L.P. senators, for details of V.I.P. flights.

On September 26, 1967, the President of the Senate ruled that a proposal by Senator Henty (Liberal) to the effect that all further questions relating to V.I.P. flights should be placed on the notice paper was to take immediate effect. A protracted dissent motion ensued, which was carried when the D.L.P., A.L.P., independents and one Liberal senator combined to support it, and the next day Senator Murphy, Opposition Leader in the Senate, sought to have all papers relating to use of the V.I.P. flights tabled in Parliament.

The Government successfully forestalled the motion, and an extended rearguard action commenced to resist further attempts to break down the wall of secrecy which had been constructed around the use of V.I.P. aircraft. During its course the Liberal-Country Party Government suffered its most decisive Senate defeat in its twenty-three years of office when Senator Murphy's adjourned motion was passed 25-15 with the support of three Liberal senators. At the same time the Prime Minister and the Minister for Air (Mr. Howson) were each revealed to have made parliamentary statements which now proved untrue - to wit, that the information sought by Senator Murphy's motion simply did not exist.⁷ On October 25 Senator Gorton, Leader

7. Senator Murphy sought details of passengers and crew members on flights, times and distances of flights, airports of embarkation and call, departments or services to which the flights were charged, incidental costs and names of flight applicants. As early as May 1966, the Prime Minister had replied in the House to Mr. Daly:

Passengers' names are recorded only so that aircraft may
(contd.)

of the Government in the Senate, tabled papers which Senator McKellar (representing the Minister for Air) only minutes before had re-assured the Senate were non-existent, and which provided most of the information which the Senate had demanded. In so doing he exposed his Prime Minister and Minister for Air to charges of having deliberately misled Parliament.

Was the question of whether the Prime Minister and a member of his Government had deliberately misled Parliament the central issue at stake in the V.I.P. flights controversy? At least one observed believed this to be the case, but noted at the same time that the Opposition appeared less sure:

On 24 October the prime minister made a supplementary statement to the house stating that the treasury advised that the annual cost of the flight was \$450,000.... Mr. Whitlam complained about the decision to purchase the BAC-111s and Mr. Clyde Cameron about the excessive use of the flight by the treasurer, but elsewhere senator Murphy kept to the *main ingredient* of the problem by accusing the government of having lied to the senate about the availability of information.⁸

be safely and properly loaded. After a flight is completed the list of names is of no value and is not retained for long. For similar reasons no records are kept of the places to which aircraft in the V.I.P. flight have taken V.I.P. passengers. The answers to these questions are thus not available.

The cost of operations by No. 34 Squadron is inextricably included in the overall costs of running R.A.A.F. Base Fairbairn (which has several other units) and of maintaining the R.A.A.F. as a whole. The cost of individual flights cannot therefore be given.

... as explained above, it is not possible to set out in detail the various specific purposes for which the V.I.P. flight has been used...

C.P.D., H. of R., May 13, 1968, p. 1913.

8. Colin Hughes, "Australian Political Chronicle, September - December 1967: The Commonwealth", *Australian Journal of Politics and History*, Vol. 14 (1968), No.1, p.106. (emphasis added)

The Opposition then, seemed uncertain whether extravagant or ill-conceived spending, or unauthorised or excessive use of aircraft, or lying in Parliament was the real issue at stake. Small wonder that Colin Hughes was led to remark on the complicated nature of the controversy, "which must have confused all but the most careful student of the affair."⁹

A report appearing in *The Australian* on October 26, the day after Senator Gorton's sensational tabling of the requested documents, gives some hint of explanation. The report stated that the A.L.P. was anxious to promote a domestic issue to divert public attention from the Vietnam War. With a Senate election due on November 25, the Opposition, it was argued, badly needed to shift the focus of debate away from questions concerning the still-popular Vietnam commitment, and the V.I.P. affair seemed ready-made for this purpose. In particular, the report stated, the Opposition was anxious to make capital from alleged misuse of the squadron by the Treasurer, Mr. McMahon, whom they regarded as the most vulnerable of all the Government Ministers. If the A.L.P. were relying on the V.I.P. affair for electoral mileage, it seems likely that they would have attempted to capitalize on all aspects potentially embarrassing for the Government, which would not only have made the issue rather more complex and confusing, but would also have helped push the question of whether Parliament had been deliberately misled into the background, to some extent. In any case, the original motivation in asking for V.I.P. flight details was to seek evidence of ministerial abuse of the

9. *ibid.*, p. 105.

10. *The Australian*, October 26, 1967, p.1.

service. The question of deception of Parliament did not arise until after basic information relating to Squadron 34 proved difficult to extract, and it was not until October 25 that it was firmly established that false information had in fact been conveyed to Parliament. Given that this was the case it would seem premature to conclude that the Opposition's inclination to seek the full significance of the V.I.P. flight controversy elsewhere indicates a placement of low priority on the question of deception of Parliament.

On the other hand the indications that false information had been given to Parliament were undoubtedly strong. The persistence with which questioners in the Senate requested information which they were repeatedly assured did not exist indicates that little credibility was placed in these assurances. Certainly Senator Murphy placed little credence in the Government's repeated assertions - for most observers agree that it was Senator Murphy's threat on the afternoon of October 25, to introduce a motion seeking to call the Secretary of the Air Department, Mr. A.B. McFarlane, before the bar of the Senate to supply answers and produce documents, which prompted Senator Gorton to dramatically table those documents that same evening.¹¹ Less partial observers than Senator Murphy also agree that grounds existed for doubting the veracity of the denials. One commentator pointed to the existence of Air Force Publication No. 873 "which lays down the rule that manifests must be kept for twelve months", and which "is only one example of the extensive system of record keeping and

11. See Don Aitkin, "Political Review", *The Australian Quarterly*, Vol. 39 (1967), No. 4, p. 84; Hughes, *op.cit.*, p. 106; and David Solomon, "This Week in Parliament: Deceit and Evasion Didn't Help the VIPs.", in *The Australian*, October 28, 1967, p. 2.

file compilation in the Government."¹² "Such long-standing procedures in the R.A.A.F.," continues the article, "are naturally known to every officer who has ever been in charge of a unit, to the personnel in charge of keeping such records and to others in the Department of Air who are acquainted with Air Force Regulations."¹³ That Mr. Howson - a former Fleet Air Arm Pilot - did not know this, was too much for many observers to accept. Senator Gorton, according to Aitchison, was one who doubted the official line:

Gorton, who is a former RAAF pilot, simply could not believe that the RAAF had changed its ways and no longer kept records of all its flights. Thousands of other people could not believe it either.¹⁴

and many newspaper editorials echoed his doubts.¹⁵

It does seem surprising then, that attempts to establish whether or not Parliament had been deliberately misled did not play a larger part in the controversy prior to October 25. After October 25 there was no doubt what the issue was - as Colin Hughes reports: "the main

12. "Four Rounds to Mr. McFarlane: The Inner History of the V.I.P. Affair", *Nation*, November 18, 1967, p.11.

13. *ibid.*, p.11.

14. Aitchison, *op.cit.*, p.60. Further evidence of Gorton's attitude is provided by Alan Trengrove, who comments: "As a former RAAF pilot, Gorton realized that there was something amiss about the Government's stand on the issue of records and documents relating to Squadron thirty-four." [Alan Trengrove, *John Grey Gorton: An Informal Biography* (Melbourne: 1969), p.173.]

15. *The Age* wrote on October 5, 1967:
In his 30 minute speech to Parliament [delivered in the House of Representatives on October 4, 1967] the Prime Minister covered a lot of old ground, but he did not give an adequate explanation of the Government's unwillingness to reveal the squadron's annual cost.
Faced with the main point, Mr. Holt retreated to the hoary excuse that there are problems about breaking down various book entries and presenting them as a neat sum. In other words, a former Treasurer would have us believe that the Government's accountants are quite inefficient (p.5).

question promptly shifted from the operation and cost of the flight to why the government had on several occasions informed parliament that the information could not be secured."¹⁶ On October 31, despite the absence of Mr. Howson, who was in Uganda attending a meeting of the Commonwealth Parliamentary Association, the Opposition moved no confidence "because of the untrue and misleading information given by the Prime Minister, the Treasurer and the Minister for Air in relation to the use of the V.I.P. flight."¹⁶

The no confidence motion produced a number of extremely forthright assertions concerning the right of Parliament to be properly informed and of the serious nature of attempts to deliberately mislead Parliament. Mr. Whitlam, leader of the Opposition, opened the debate thus:

This is as serious a motion as could be moved in any legislature. It goes to the basis of responsible government. If Parliament cannot rely on the veracity and credibility of information which it seeks from the Government and which the Government gives, the whole fabric of parliamentary government and of responsible government is destroyed.¹⁸

Mr. Holt, on the other hand, was inclined to play down the importance of the principle at stake. He said:

Mr. Speaker, the Leader of the Opposition has moved what by Parliamentary practice is the most serious motion within the capacity of any member or section of the Parliament to move. He has moved that the House has no confidence in the Government.... But with the whole gamut of Government policy to range over, with all the varied activities of a Commonwealth Government involved in military operations, involved in

16. Hughes, *op.cit.*, p. 106.

17. *C.P.D., H. of R.*, October 31, 1967, p. 2403.

18. *ibid.*, p. 2403.

far-reaching foreign policy relationships, with the conduct of a great buoyant developing economy, with the problems of employment and social welfare - the whole gamut of national policy to seize on as a ground for attacking a government in office - the Opposition has not found an opportunity to do this until now when it comes to us on this particular issue. I am glad to think that the Commonwealth of Australia is regarded by honourable gentlemen opposite as being in such good state in its domestic, foreign and defence situation that they have to turn to this issue in order to attack us.¹⁹

The rest of the debate followed these lines. While Opposition speakers championed Parliamentary convention,²⁰ Government speakers attempted to minimize the issue by claiming that the Parliament, if it wished to express a want of confidence, should choose to do so by attacking the Government on something more important, such as

19. *ibid.*, pp. 2406-2407.

20. The following statements reflect the attitude taken by Opposition speakers:

Mr. Connor:

The instinct and capacity for self-government and traditional parliamentary procedure is the most outstanding attribute of the English-speaking people. We speak of Westminster as the Mother of Parliaments. As a result of today's proceedings will other nations speak of Canberra as the parent of parliamentary prevarication if this stigma is not removed and the good name and prestige of Australian parliamentary government restored...?

(*ibid.*, p. 2415.)

Mr. Clyde Cameron:

It is true, as the Prime Minister said, that on numerous occasions motions expressing lack of confidence in the Government have been moved in the Parliament, but never in the Parliament's whole history - as the Prime Minister, pretending to make a strong point, correctly stated - that a Parliament has been asked to debate a motion of no confidence based upon the belief that the Prime Minister and two Ministers of the Parliament were not telling the truth. If this allegation is true - and I will refer to this in a moment in order to prove that the allegation is true - and it can be proved that it is true then, as in the case of Profumo, no Minister or Prime Minister is entitled to sit, or is fit to sit in the Parliament as a Minister of the Crown. If the Parliament cannot believe what the Prime Minister or any Minister tells it, then the Parliament has the right to reject them. No Prime Minister over whom the shadow of doubt rests ought to have the audacity to continue to occupy the position. (*ibid.*, p. 2419.)

a major area of policy.²¹

That the debate should develop along these lines - one side righteously proclaiming the inviolability of Westminster convention; the other making light of the matter by disparagingly comparing it with other issues held to be of far greater significance - suggests one of two things. Firstly, the debate can be taken at face value, and the assumption made that one of the major forces in Australian politics values traditional parliamentary norms, while the other does not. Only the most partisan observers would seriously hold this to be the case, and it is not difficult to question the sincerity of the Opposition's pious attitude in the no confidence debate. Government members claimed during the debate that the Opposition was using the controversy as an electoral gimmick to distract the electorate from other issues working in the Government's favour in the pending Senate election, a view which, as we have seen, received some support in journalistic circles. The timing of the no confidence motion gives further credence to this view. Had the Opposition wanted above all

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21. Witness the following extracts from speeches from Government Members:

Mr. Fairhall:

It is quite an interesting insight into the level of values of members of the Opposition that, in the broad range of all the Government's responsibilities in this country, which have brought forth no public concern but only public acclaim, they would choose an issue such as this on which to move what is certainly a tremendously serious motion in a democratic Parliament. (*ibid.*, p. 2432.)

Mr. McEwen:

A motion of censure against the Government is one of the serious occasions that the Parliament can be confronted with. In the words of the Leader of the Opposition this is based upon questions of the veracity and credibility of the Prime Minister and certain Ministers of the Government.... Let us be perfectly clear what this debate is all about. It is the initiation of part of Labor's Senate campaign. The debate is not concerned with policy. It is a debate designed and contrived for one purpose only; to enable Labor to avoid discussing policy. (*ibid.*, p. 2438.)

else to determine whether or not Parliament had been deliberately misled, it is logical to suppose that it would have delayed the no confidence motion until the return from overseas of the Minister for Air, possibly *the* principal actor in the affair. On the other hand, the staging of the want of confidence motion in the absence of the member of Government most capable of shedding light on the matter enabled the Opposition to make maximum political mileage without running the risk that the minister might be able to produce information to defuse the situation and thus rob the Opposition of a valuable electoral asset.

On this evidence then, it is tentatively suggested that the second possible interpretation has greater validity - that Australian politicians have no over-riding commitment to the principle that the truth must always be told in Parliament, at least not when adherence to the principle jeopardizes one's electoral, parliamentary or ministerial prospects.

The concluding circumstances of the V.I.P. flights affair reinforce this interpretation. It was widely believed that Mr. Howson would resign his ministerial commission on his return from Uganda. Instead he gave what was generally regarded as a masterful parliamentary performance, in which he claimed to have acted in good faith on misleading information emanating from his personal staff. In accordance with the principle of ministerial responsibility he had offered his resignation which the Prime Minister had declined to accept. This effectively closed the affair. Yet misleading information *had* been supplied to Parliament. One would have expected an Opposition dedicated to maintenance of the convention that to

deliberately mislead Parliament constitutes a serious contempt, to have pursued the matter until an explanation of why untrue information had been supplied to Parliament was finally forthcoming. That it did not clearly suggests that its main motive in pursuit of the issue was partisan political advantage. Once the elusive documents relating to V.I.P. flights had been tabled, revealing nothing particularly embarrassing for the Government after all, and once it was clear furthermore that the ministers involved had plausible explanations to account for their personal roles in the affair, the Opposition let the matter drop. Why? Obviously because there was no longer political mileage to be won from the affair. Yet the question of whether Parliament was misled by the deliberate actions of some person or persons other than the Minister and Prime Minister remained unanswered.

The objection may be raised that if Mr. Howson's resignation was widely expected, it is reasonable to assume that the convention governing lying in Parliament is still operative and is still valued by those who are expected to abide by it. Certain it is that, had it been established that the Minister had deliberately misled Parliament, he would have had no choice but to resign. The Minister's personal position is described thus by David Butler:

Certainly in Mr. Howson's case, if we accept at face value his assurance that his misleading answers were due to his honest error in accepting as final a reply provided by his personal staff,²² no one could possibly suggest that

22. One commentator who apparently rejects Mr. Howson's explanation is Alan Trengrove. The belief that the Minister for Air knew that the assurances he and the Prime Minister were providing Parliament were false is implicit in the following statement: The worsening situation was compounded by the then Minister for Air, Peter Howson, who failed to warn Holt that inevitably the Government couldn't maintain its position on this matter - that V.I.P. flight records did, in fact, exist. (Trengrove, *op.cit.*, p. 172.)

there was any obligation to resign. If we move to the other extreme and assume that he had been found out in consciously and deliberately giving false information to Parliament, his resignation would obviously have been necessary.²³

But the point at issue is not whether the convention governing lying in Parliament is still operative, but whether the transgression of the principle is regarded with moral opprobrium. It has already been argued that the circumvention of institutional values does not necessarily constitute corruption, for the values on which those institutions are based may not be values which are current in the wider society beyond the particular institution. In this case the sin is not so much in the commission as in the detection. Applied to the V.I.P. aircraft controversy, the important variable is not whether someone has behaved improperly (in moral terms) by breaking parliamentary convention, but whether he has behaved politically imprudently by providing opponents with an opportunity to invoke the convention for purposes of partisan gain. An analysis of the V.I.P. controversy suggests that this is how the convention governing lying in Parliament is regarded, at least among a large number of those who hold seats in Parliament.

Unfortunately, however, it is insufficient to simply determine the attitude of parliamentarians towards the norms of the institution within which they work. It is also important to determine the public's reaction to the allegations that Parliament had been deliberately misled. This is much more difficult, for the evidence is extremely tenuous. One can point to the curious absence of any

23. David Butler, "Some Thoughts on Ministerial Responsibility - the V.I.P. Planes Affair". *The Australian Quarterly*, Vol.39 (1967), No.4, p. 38.

public debate on the matter in "Letters" columns, and infer, if possible, the degree to which the V.I.P. affair affected the Senate election in November 1967. Using the V.I.P. controversy as its major electoral weapon, the A.L.P. increased its vote by 5.4 per cent, while Liberal-Country Party support tumbled by almost 8 per cent. Yet few observers were willing to attribute the swing to the A.L.P. to dissatisfaction with the Government over the V.I.P. aircraft issue. Mr. Holt himself, asked how much he felt charges that the Government's credibility had been destroyed by the V.I.P. issue had contributed to his poor electoral showing, replied: "I didn't find it a major factor at meetings during my campaigns."²⁴ Most assessments concur with this view, in the sense that they tended to look elsewhere for an explanation of the swing away from the Government. The *Australian* claimed that "the most specific warning sign for the Government in this election arose from Vietnam, acknowledged all round as the over-riding national issue", and also identified "a marked reaction against the Government in some rural areas ... apparently because of the uncertain future faced by primary industries."²⁵ The *Age*, while acknowledging that "the crass handling of the V.I.P. affair" had some impact on the election result, placed it firmly in context with other issues, claiming:

Most of the credit for this change in public attitude must go to Mr. Whitlam, who has proven himself a cool tactician, as well as a personable man on the hustings. His biggest success of the campaign was the way he diverted much of the argument about Labor's equivocal official attitude

24. As quoted in *The Australian*, 27 November, 1967, p.1.

25. *The Australian*, 27 November, 1967, p.6.

to the war into a debate about the Government's attitude to the possibility of peace.²⁶

It is difficult then, to feel that the general public were much concerned about the fact that Parliament had been given false information, possibly deliberately.²⁷ This is not to say that there

26. *The Age*, November 27, 1967, p.5.

27. There are of course important exceptions, notably among the press, which supported the value of the convention in the strongest possible terms. Following Mr. Holt's refusal to accept Mr. Howson's resignation *The Australian* wrote:

The choice of aircraft for the V.I.P. squadron and the authorization of V.I.P. travel in them long ago took second place to the fact that the national Parliament was obviously misled and misinformed in its attempts to obtain information ... Mr. Holt's failure to recognize the seriousness of the issue is equally unprecedented and damaging - more, it is a blow to the whole system of parliamentary democracy.

(*The Australian*, November 9, 1967, p.8.)

Other newspapers echoed these sentiments. *The Sydney Morning Herald* wrote, in the wake of the October 31 no confidence motion:

Parliament presented a dismal spectacle yesterday. The Prime Minister's speech was a floundering performance; it was an evasive performance; it was a sad performance. This issue is no longer whether the V.I.P. planes were "ordered" or merely "decided upon" in Sir Robert Menzies' day, whether the Senate has power to demand the tabling of documents, or whether Mr. Holt fully disclosed the details of his family's flights. We are not concerned with his lapses of memory. What Parliament deserved was an explanation for the false statements provided to it by the Department of Air. Mr. Holt admitted that untrue statements had been given. He admitted that he was troubled by it. He insisted - rather pointedly - that Mr. Howson, the Minister for Air, should have "a chance to speak in his own defence." But he did not tell us when this chance would come.

(*Sydney Morning Herald*, November 1, 1967, p.2.)

The Age wrote in a similar vein:

The Prime Minister yesterday confused a major principle with a minor issue. He and two of his colleagues have been charged by the Opposition with having lied and misled Parliament. Mr. Holt chose to view this charge as pretty small-time stuff. Irrelevancies clouded his contribution to the no-confidence debate. He gave an academic dissertation on the procedure for tabling documents in Parliament. He wondered why the Opposition did not attack the Government over defence or some other important subject instead of persisting with "pettifoggery" that had arisen from the Senate debates on the V.I.P. squadron. The best that can be said of Mr. Holt's performance is that it displayed a strangely casual regard for

(contd.)

is widespread disagreement with the convention governing lying in Parliament - it simply indicates that a much lower priority is placed on its adherence by the Australian public (and even many parliamentarians themselves) than by parliamentary theory.

The second alleged instance of lying in Parliament which will be reviewed concerns an aspect of the controversial overseas loans issue which plagued the Whitlam Government in the latter half of 1975. This review tends to confirm the observations made in respect of the V.I.P. aircraft controversy.

In this case, one of the principals in the loans affair, Dr. J.F. Cairns, Deputy Prime Minister and former Treasurer, was sacked by the Prime Minister when it became evident that a statement made by Dr. Cairns in Parliament did not correspond with the contents of a letter bearing Dr. Cairns' signature. During Question Time in the House of Representatives on June 4, 1975, the following exchange took place:

My Lynch (Deputy-Leader of the Opposition):

I ask the treasurer: did he, in a letter on or about 5 March offer a commission of 2½ per cent on any loan money arranged by the recipient of the letter or his company?

Dr. Cairns:

The answer is no. At no stage did I offer a commission of 2½ per cent or any other amount or give any authority whatever to any person to do anything other than make inquiries.

Mr. Fraser (Leader of the Opposition):

No brokerage fee?

his responsibilities as Prime Minister and his established reputation as an honorable man; at the worst, it implied that the Executive was willing to treat Parliament and the public with contempt.

(The Age, November 1, 1967, p.5.)

Dr. Cairns:

No brokerage fee. Would the honourable member like to ask more questions?²⁸

The letter on which Mr. Whitlam acted, addressed to Mr. George Harris, a Melbourne businessman, read (in part):

The Australian Government is interested in exploring available loan funds from overseas. In the event of a successful negotiation which may be introduced or arranged by you, and provided the interest rate for a term loan does not exceed 8% per annum in total, we would be prepared to pay a once only brokerage fee of 2½% deducted at the source to you and/or your nominees.²⁹

This letter clearly contradicts Dr. Cairns' earlier statement to Parliament, and though he claimed to be unable to remember signing the letter, he readily admitted that it certainly carried his signature. Yet in the confused welter of issues covered by the grab-all classification of the "loans affair", there is some doubt that Dr. Cairns was dismissed because he had misled Parliament. In reaching his decision, Mr. Whitlam called for explanations from Dr. Cairns concerning not only the discrepancy between his statement to Parliament and the Harris letter, but also the private financial dealings of Dr. Cairns' stepson, Mr. Philip Cairns, who was a member of Dr. Cairns' staff. Dr. Cairns himself was of the opinion that it was the question of the alleged lie which concerned the Prime Minister.³⁰ Mr. Whitlam,

28. *C.P.D., H. of R.*, 4 June 1975, p. 94.

29. As it appeared in *The Australian*, July 2, 1975, p.1.

30. After his dismissal by Mr. Whitlam he released the following press statement:

The Prime Minister informed me yesterday that he was concerned with whether I had told the truth to Parliament in answering a question on June 4, 1975. He made no other complaint against me whatsoever. He issued a press statement soon after which referred to this matter.

I informed him in my first letter today that I answered the question in Parliament in the clear and sincere belief that what I said was true. There is no evidence whatsoever to the contrary.

however, hinted that the question of Philip Cairns' business dealings might have contributed at least as much,³¹ and in any case, few observers doubted that Mr. Whitlam was less concerned with the actual misleading of Parliament than with removing Dr. Cairns from the ministry, and as far from any position of political power as possible. The Harris letter (and the business activities of Philip Cairns) provided him with the perfect justification for doing just that.

That he was moved by more complex motivations than mere concern for parliamentary convention is further suggested by Mr. Whitlam's own track record, which is itself less than perfect where the misleading of Parliament is concerned. Just two months before the Harris letter came to light Mr. Whitlam had also been embarrassed by the public disclosure of documents which appeared to compromise an earlier parliamentary statement. On this occasion the release of cables sent to the governments of North and South Vietnam on April 2, 1975, called into question an assurance given to Parliament by Mr. Whitlam that the tenor and content of the two cables were substantially the same. Mr. Whitlam continued to maintain that the

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31. On July 3, when Mr. Whitlam released the text of his letter to Dr. Cairns asking for Dr. Cairns' resignation, he also released a statement by Mr. Philip Cairns, suggesting that Dr. Cairns' dismissal was at least partly attributable to what Mr. Whitlam saw to be the unsatisfactory explanation of Mr. Philip Cairns. When the matter was debated in Parliament on July 9 Mr. Whitlam was more specific. He stated:

On July 2 I advised the Governor-General to terminate the Commission of the Minister for Environment. As documents which I made public on 1 July and 2 July make clear, I took that decision and was obliged to take that decision on two grounds. They were the sole grounds for that decision.

First, there was a total discrepancy between a reply given on 4 June and a letter written on 7 March 1975.

Secondly, reported activities by a ministerial officer and a government employee would make it possible for him to make a profit from his position on his minister's staff.

I received no satisfactory explanation for these activities (As reported in *The Australian*, July 10, 1975, p.3.)

disclosed cables showed there to be no substantial differences between them - a doubtful interpretation - and sat tight while the storm raged and finally dissipated around him. There was certainly no hint that he might be obliged by parliamentary convention to resign.

It is difficult then to envisage Mr. Whitlam feeling so strongly about the convention governing the misleading of Parliament that he would demand the resignation of a minister found to have transgressed it - not, at least, unless other, more significant factors were present. It is less difficult to envisage Mr. Whitlam calling for the resignation of a minister who has financially compromised himself, for in the area of ministers' pecuniary interests his record, as he himself claims,³² does stand up to scrutiny.

It is even less difficult to see the resignation in terms of power politics within the A.L.P., and that the formal reasons for Dr. Cairns' resignation merely constitute the pretext which the Prime Minister used to rid himself of an ideological opponent and minister whose performance was becoming increasingly embarrassing for the Government. The statements of other prominent A.L.P. figures further

32. Announcing on July 15, 1975, that all future ministerial staff appointments would be personally vetted by himself, Mr. Whitlam pointed to his long-standing opposition to ministers or ministers' staffs placing themselves in any position which could result in a conflict of interests. Stating that, in the light of the disclosures concerning Mr. Philip Cairns, "now it is quite clear that ministers' staffs ought to be under the same standards as ministers themselves, and I propose to ensure that that is the case," he referred to earlier evidence he had given to the Joint Parliamentary Committee on Pecuniary Interests. I said that people whom the Ministers have appointed should have to make the same decisions, their interests should be registered, in the same way as I advocated - and as the Labor Party advocates in its platform - should be the case with Ministers.
(As reported in *The Age*, July 16, 1975, p.1.)

suggest this. In the wake of Mr. Whitlam's dismissal of Dr. Cairns, a large number of A.L.P. officials and parliamentarians released statements. Mr. Whitlam's supporters emphasised the importance of the convention that a minister who deliberately misleads Parliament has no choice but to resign (Mr. Ray Sherry, M.H.R., argued this point at considerable length on A.B.C. radio on July 3, 1975), while Dr. Cairns' supporters made light of the convention, suggesting that it was not sufficient reason to leave the most humanitarian and far-sighted member of post-war Parliament off the Government front benches (as Senator George Georges of Queensland argued on the same day).

The conclusion to be reached from this brief discussion is that Dr. Cairns' resignation is best seen in the same light as the calls for resignations over the V.I.P. affair - in each case the convention that to deliberately mislead Parliament is a contempt and calls for immediate ministerial resignation, was cynically exploited for partisan ends, while those who stood to lose by its enforcement openly argued that the convention is of trifling importance when compared with other more fundamental political considerations.

Does lying in Parliament, on the evidence here examined, constitute political corruption? As with conflict of interest, it is best left in the doubtful category of the grey zones for the present. To deliberately mislead Parliament clearly transgresses institutional norms, and while a substantial proportion of the general public - and, it appears, parliamentarians themselves - are inclined to regard the practice more indulgently, it would seem premature to

accept lying in Parliament as legitimate political activity. For some years now, as political deception has come to be seen as increasingly widespread in western liberal democracies,³³ observers have remarked on the "credibility gap" as an important characteristic of many of these systems.³⁴ What is needed however, is increased public debate on the issue, with a view to clarifying its ethical status. In political systems based on Westminster, for example, Parliament is still the most hallowed institution and, at least in theory, the hub around which the rest of the system turns. Moreover, the convention that to deliberately mislead Parliament is not to be countenanced under any circumstances is quite fundamental to Parliament's theoretically central position. Without such a convention there could be no such thing as responsibility to Parliament. To decide that lying in Parliament is now an acceptable political activity is to strike a major blow at the very essence of the present system. That a "parliamentary malaise" does exist is now generally accepted, and much debate is being accorded it. The foregoing analysis suggests that the vexed question of deception of Parliament should capture a fair slice of the debate. It may be that the outcome of this debate will be the acceptance that, in terms of the

33. See Brian Inglis, *Private Conscience and Public Morality* (London: 1964). Inglis writes of the United Kingdom:

The new lying is frequently party - and self interested; it is bland, insidious, and pervasive. By allowing it to develop, the Commons has allowed itself to be deprived of the old watchdog authority; and thereby encouraged the executive not merely to be authoritarian, but also to be corrupt. (p.136).

34. See the general treatment of "Truth and Politics" in Hannah Arendt's *Between Past and Future*, 2nd edn. (New York: 1968), and her more specific analysis of deception as revealed by the Pentagon Papers in *Crises of the Republic* (Harmondsworth, Eng.: 1973).

wider culture, lying in Parliament is no longer regarded with moral opprobrium. Should this occur, something of profound significance will have been said about the parliamentary system.

It might be objected at this point that nothing has been established in the last two chapters - that in neither of the grey activities which were examined has sufficient evidence been amassed to extract the particular practices from the grey zone. It is again stressed, however, that in tackling this task the main intention has been to demonstrate the approach - admittedly time-consuming and cumbersome - which needs to be made if cross-cultural investigation of corruption is to be made at all possible. With this aim in mind, two of the most thorny problems of political ethics were selected for analysis, and as it has turned out, it has not been possible to come to a firm conclusion in either case. Had other activities been chosen (such as those with which questions 8, 10, 12, 13 and 14 of the survey are concerned³⁵) a firm decision may well have been reached.

In any case, certain general conclusions about political corruption in Australia were reached in chapter 8. One of these was that corruption, while a most significant factor in Australian political folklore, has rarely been the subject of theoretical discussion, and in this respect Australia lags significantly behind the United Kingdom and the United States of America. An absence of such theoretical discussion is likely to result in a relatively large grey area of political morality, for two related reasons. Firstly, there is

35. See appendix.

likely to be both a lack of public understanding of the moral norms on which political institutions are based, and a degree of conflict between those norms and political values which have developed within the broader community. Secondly, codes of political ethics are unlikely to have been constructed, which leaves much wider scope for differing evaluations of the moral standing of activities than would otherwise be the case. In the absence of theoretical discussion of morally dubious activities it therefore becomes increasingly difficult to accumulate sufficient evidence to remove an activity from the grey zone and confidently label it as corrupt or not corrupt. This is the case in Australia.

CHAPTER 11.

OTHER PROBLEMS OF DEFINITION

The last three chapters constitute an attempt to demonstrate an approach to comparative analysis of corruption. It has been argued that corruption is culturally variable, and as such, can only be studied on a comparative basis if the inter-cultural variables are first discovered and acknowledged. Chapters 8, 9 and 10 indicate how this initial task may be tackled.

In this, the final chapter, a number of other problems and misconceptions concerning corruption are acknowledged. These problems constitute a quite different problem category from those thus far examined. They involve difficulties of definition and difficulties concerning the nature of relationships between corruption and certain other phenomena with which it is often associated. Yet the distinguishing feature of this set of problems is that they have yet to be recognized as such. Though a number of theorists have made provocative statements concerning the relationship between corruption and, for example, secrecy, power or law, the nature of these relationships has been largely ignored by the bulk of theorists, preoccupied as they are with the issues of the moralist/functionalist and relativist/absolutist debates, and the difficulties of comparative analysis of corruption. Yet the problems of definition and relationship with which this final chapter is concerned are important, and deserve greater acknowledgement.

The Dimensional Problem

The first of these is best categorized as "dimensional". Its nature can readily be seen in the juxtaposition of the two following quotations. Geoffrey Barker, writing of the social turmoil which swept the United States at the height of American involvement in Vietnam, had this to say of society's youthful critics:

They hope to realise the dream by tearing down the old values which they believe have corrupted the nation. Their parents and grandparents insist that the system is viable, but needs a thorough spring-clean.¹

Carl Friedrich defines corruption in the following way:

The pattern of corruption can be said to exist whenever a power-holder who is charged with doing certain things, i.e., who is a responsible functionary or office holder, is by monetary or other rewards not legally provided for induced to take actions which favour whoever provides the reward and thereby does damage to the public and its interests.²

Unlike Professor Friedrich, who has made an explicit attempt to define corruption, Barker does not make clear what he means when he writes of a "corrupt nation". Yet it is quite clear that he is using "corrupt" in a way which falls outside the scope of Friedrich's definition. Barker is concerned with a corrupt "system", presumably one in which the very institutions set up by society to regulate its inner workings are corrupt, whereas Friedrich is using the term "corruption" to describe a particular type of behaviour *within* those institutions. The former involves criticism of social institutions as such; the latter, while concerned with occurrences within

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1. Geoffrey Barker, "Star Spangled Madness", *The Age*, July 18, 1970, p. 11.
 2. Friedrich, *op.cit.*, p. 74.

those institutions, in no way questions the ultimate purpose and overall performance of the institutions themselves (except insofar as these internal arrangements facilitate corruption on the part of the individuals within them, in which case, though minor adjustments of a technical nature may be necessary, the institution as such is not called into question). When corruption is spoken of in a political context then, one of two quite distinct phenomena might be referred to: (1) the corruption of institutions - corrupt because they are either not capable of carrying out their intended function or because that very function is morally illegitimate, and (2) the corruption of individuals within these institutions.

The difference in connotation is a fairly obvious one; any person who reads social criticism from virtually any source - from unsophisticated public opinion columns in popular dailies to complex ideological treatises - can hardly fail to be aware of it. Yet almost every academic study of corruption has been exclusively concerned with the more narrowly defined phenomenon which Friedrich has described above.³

The significant exception is the muckraking period in early twentieth-century America. There was a noticeable tendency among many muckrackers to see corruption in America as the fault of the institutions themselves rather than the individuals within them. According to David Chalmers:

They wrote about specific instances of

3. This approach has been adopted by this thesis throughout. In the Introduction, for example, the survey of the literature on corruption was concerned with studies which define or assume definitions of corruption which are similar to that of Friedrich.

wrong-doing and corruption, only to find that, no matter where they began, the individual instances were but part of a greater national lawlessness.⁴

and that:

Despite their sensationalism and their naming of names, not one of these journalists placed the blame upon 'bad' individuals. There was none of the 'turn the rascals out' approach Even Burton J. Hendrick and Alfred Henry Lewis, who most frequently focused their articles on individuals, would have hooted at a President of the United States who attributed public corruption solely to 'dishonest people who worm their way into almost every human organization'.⁵

The muckracking journalists attributed the evils of society to the changed economic conditions, and "the System" was one term they employed to designate the source of these troubles. Some of them adopted political philosophies advocating radical change as the only cure for political evils. Charles Edward Russell and Upton Sinclair⁶ for example, embraced a peaceful socialism as the answer to corruption.

With their emphasis on unsound institutions, the muckrackers contrast strongly with post-1945 anti-corruption crusaders who have tended to see the replacement of bad men by good men as the answer to corruption. For those advocating the turning out of the rascals as the cure for corruption, the institutions are seen as essentially blameless - what is needed is to purge basically sound institutions

4. Chalmers, *op.cit.*, p. 299.

5. *ibid.*, p.303. The President referred to is President Truman and the quotation within the extract is a statement made by Truman in an address to Congress, January 9, 1952.

6. Sinclair's novel, *The Jungle* (New York: 1905), was, as well as an indictment of contemporary corruption, a description of the coming socialist revolution which he envisaged.

of the unscrupulous few who have infiltrated them and whose corrupt activities impede their proper functioning.⁷

With the exception of the muckrakers, academic researchers have failed to take account of the wider dimension in which the term "corruption" is employed. Why should this be so? The answer almost certainly has to do with matters of ideology. For many people to even consider the possibility that one's own political system or parts thereof may be corrupt is an unworthy and unpatriotic thought. Probably even more important is the subjective nature of any analysis likely to be undertaken at this higher level; one's own ideological predilections will almost certainly influence any observations one is likely to make concerning the degree to which any political system can be described as corrupt in this sense. Coupled with the virtual impossibility of establishing any objective criteria whereby one may assess corruption on this plane, these factors have meant that students of corruption by and large left this dimension of usage to the polemicist.

Despite the cold shoulder given it by academics investigating the phenomenon of political corruption, there is a vast body of literature devoted to analysis of the corrupt "system", none of which was explicitly written as a study in corruption, and none of which has since been recognized as such. Corruption is a major theme in Marx's work for instance, although he himself rarely used the term. The sense in which corruption is an important theme in Marxism is evident in the following passage taken from C. Wright Mills' "Ideological

7. cf. *Ethical Standards in Government: Report of the Douglas Committee* (sub-committee of the Committee on Labour and Public Welfare, United States Senate; Paul H. Douglas, chairman), November 17, 1951.

Message of Marxism":

You are poor and you are exploited and you are going to be exploited as long as capitalism prevails. For capitalism has ceased to be a progressive force; it has become an obstacle to Progress, to your progress. It enters into every feature of human life, private and public, and all of them it corrupts. Capitalism is the system that exploits you.⁸

Corruption, according to Marx, stems from capitalism. Yet this corruption is not the phenomenon which Friedrich has defined. Though Marx would undoubtedly have regarded the form of corruption defined by Friedrich as a function of capitalism also,⁹ he is concerned with a type of corruption much grander in scope: capitalism "corrupts", in Mills' interpretation of the Marxist Message, "every feature of human life, private and public". Most social critiques which prescribe radical alternatives to the status quo can be classed as works on corruption in the same sense that Marxian analysis can be. Existing institutions, it is held, corrupt man's true social purpose (subjectively defined by the analyst himself). For Marcuse the corrupting agent is industrial totalitarianism, for Hitler it was all that impeded the rise of the master-race to its rightful place of world domination, for the classical liberal it is restrictions on political liberty and laissez-faire economics, for the conservative it is that which threatens stability and continuity with the past.

8. C. Wright Mills, *The Marxists* (New York: 1963), p. 34.

9. Some Marxists have used "corruption" in this "micro" sense. See Max Gordon, "Crime and Capitalism", *Political Affairs*, Vol. 3 (1951), No.6, pp. 18-30. (Gordon sees the relationship between corruption of local government and organized crime as an indication of the nature of the capitalist system), and Alex Bittelman, "Corruption, Warmongering and Pro-Fascist Reaction", *Political Affairs*, Vol. 32 (1952), No.3, pp.1-14.

Such works then, are concerned with corrupt systems, but as analysis is founded in ideological subjectivity, corruption at this level becomes rather too nebulous to render amenable its study as a phenomenon capable of extraction from its polemic background; the concept of the corrupt system can mean all things to all people and it is difficult to see how this can be otherwise.¹⁰ There is, however, one attempt to analyse corruption at the level of the "system" which deserves a more detailed examination, because it is not only one of the few works specifically devoted to corruption as a phenomenon which afflicts institutions as well as people, but it also makes a deliberate attempt to relate the form of corruption defined by Friedrich to this second dimension of corruption. In expounding his thesis of the "Power Elite" C. Wright Mills wrote as follows:

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10. It may be argued that the application of systems theory to political science represents a rigorous attempt to analyse the corrupt system within a sound, generally applicable theoretical framework. Systems theory, one might hold, is concerned with determining the conditions under which systems either maintain themselves or break down, and as such is merely a less emotive way of describing the degree to which a system is or is not corrupt. However, to reason in this fashion is erroneous. Earlier it was claimed that a connotation of moral censure is essential to the notion of corruption. No such moral taint adheres to the notion of a dysfunctional component of a political system. A term such as "dysfunctional" describes an institution's performance as wanting in a mechanistic sense, but not "bad" in an ethical sense. To equate "corruption" with "system breakdown" is thus not a valid application of the term. For example, a polemic critic may describe the American judicial system as "corrupt" on the grounds that, rather than achieve the stated aim of providing equality for all before the law, it actually promotes injustice by restricting on financial grounds those who cannot afford to seek redress for injustice in the courts. In this case (the critic would claim) the institution is corrupt because it is carrying out a morally illegitimate function rather than the legitimate function for which it was brought into being. But there is no suggestion that the system is breaking down as a result of corruption of the judicial system; indeed the critic might maintain that the corruption of institutional aims in this case constitutes what a systems theorist would call a "support" in system self-maintenance.

The higher immorality can neither be narrowed to the political sphere nor understood as primarily a matter of corrupt men in fundamentally sound institutions. Political corruption is one aspect of a more general immorality; the level of moral sensibility that now prevails is not merely a matter of corrupt men.... Of course, there may be corrupt men in sound institutions, but when institutions are corrupting, many of the men who live and work in them are necessarily corrupted.... Many of the problems of 'white collar crime', and of relaxed public morality, of high-priced vice and of fading personal integrity, are problems of structural morality.¹¹

None of this is very new. It has already been noted that the muckraking journalists had asserted fifty years before Mills that unsound institutions will inevitably spawn bad man. Most of history's great political theorists have also considered corruption in this sense, as Friedrich points out. (We may assume the Friedrich's definition quoted at the beginning of this chapter was deliberately formulated to be free of ideological overtones, for he is virtually alone among students of corruption in recognizing this second dimension of the concept.) In *The Pathology of Politics* he devotes considerable space to the tradition of corruption as "a general disease of the body politics",¹² which "is what concerned political philosophers of the past".¹³ The corruptions of the natural or ideal political system, which concerned such diverse political thinkers as Plato, Aristotle, Machiavelli, Montesquieu, Rousseau and the utopian socialists, are conceptually similar to Mills' view of the corruption of the American political system and its companion

11. C. Wright Mills, *The Power Elite* (New York: 1956), p. 343.

12. Carl J. Friedrich, *The Pathology of Politics* (New York: 1972), p. 131.

13. *ibid.*, p.130.

ideology. This ideological dimension of corruption might be largely ignored by academics now, but Mills was nevertheless in distinguished company in conceiving of it in this sense.

In addition, Mills' concept of the "higher immorality" provides no more insight into a general theory of the corrupt system than do other partisan analyses of governmental systems, for his theory is also motivated by a highly personal view of what is and what is not socially and politically desirable. Mills' chapter on "The Higher Immorality" is worthy of examination, however, because he attempts to demonstrate just how and why corruption among individuals is largely a consequence of institutional corruption, in contrast to the muckrakers, for whom the relationship was so obvious as not to require further explanation. Very briefly, his theory is that when the values which sustain institutions come to be seen as irrelevant or outmoded by people within those institutions (though lip-service may continue to be paid to these empty values), people will exploit the vacuum thus created in their own interests, because no credible value system exists to dissuade them from so doing.¹⁴ There is thus a direct causal link between the corruption of individuals and the corruption of structures.

Acceptance of Mills' thesis would seem to render any consideration of corruption as described by Friedrich (and practically every other academic analyst of corruption) grossly inadequate without consideration of broader problems of the morality of structures. The ramifications of the theory that widespread corruption on the part of individuals is likely to be the fault of the corrupt institutions in

14. Mills, *op.cit.*, pp. 344-347.

which they function are thus considerably greater than has been generally recognized. What is the relationship, if any, between these two levels of corruption?

One direct refutation of the idea that there is a connection between "the higher immorality" and corruption at an individual level is to be found in the work of Wayne Leys. Leys shares with Mills a concern about a "higher immorality" (though he prefers to speak of "the moral failure of the Establishment"). However he not only does not trace individual corruption to this higher immorality; he claims that the "moral failure of the Establishment" is in part a consequence of a successful preoccupation with corruption at the level of the individual: "The success of American business and government in solving one kind of moral problem has contributed to the failure of another kind of moral demand".¹⁵ This has occurred, says Leys, because the American decision-maker, while setting his own house in order ("Today's promoter," he writes, "is conscious of a multitude of 'Thou shalt nots' "¹⁶) has neglected his moral obligations on a higher plane.

Leys wrote his article in 1968. In the wake of the heady days of Watergate and various lobbying revelations it is much more difficult to put any credence in Leys' view that "the decision-maker of 1968 thinks about many more rules and is conscious of the rights of many more parties than the decision-maker of 1868."¹⁷ At the other extreme it is also difficult to accept Mills' theory without

15. Wayne A.R. Leys, "Ethics in American Business and Government: The Confused Issues", *Annals of the American Academy of Political and Social Science*, Vol. 378 (1968), p.35.

16. *ibid.*, p.35.

17. *ibid.*, p.36.

qualification. Where corruption is widespread it is very possible that corrupt structures are to blame. One is not hard put to think of some political systems which are notorious for chronic corruption about which a good case along these lines could probably be made. But Mills himself admits that "there may be corrupt men in sound institutions", in which case structures need not be corrupt in any grand sense for corruption to exist - all that is required is some technical deficiency in the structure's internal arrangements which provides those bent on corruption with the opportunities to engage safely in nefarious activity.

In conclusion, one can say that the concept of the corrupt system is highly subject to partisan definition, and theorists of corruption have generally been wise to ignore this polemic usage of the term. Nevertheless, one should at least be aware of this second political context in which the term "corruption" is used, particularly as there may be a causal relationship in some instances between rampant corruption and what may be described without complete loss of objectivity as a "corrupt system". What is needed then, is a qualification of Friedrich's description to the effect that, though the term "corruption" is often used in political discussion as an expression of ideological criticism, for the purpose of political science the term refers to the less nebulous phenomenon which Friedrich and most other academic analysts of corruption have described.

Corruption and Secrecy

There are also difficulties concerning the relationship between corruption and secrecy. While this relationship has received scant attention from students of corruption in general, a notable exception

is H.A. Brasz, who sees corruption "very broadly ... as a perversion of power",¹⁸ with the important qualification that "the concept naked power does not do justice to the furtive nature of corruption: corruption is not naked but veiled."¹⁹ Brasz fastens onto this element of subterfuge to reach the following conclusion to the question: how are we to identify a corrupt act when it occurs?

He writes:

But now comes the difficult part: who is to decide who possesses the 'best opinion and political morality of the time'? Would that be the German weekly *Der Spiegel*, the Bonn judge Quirini, or Adenauer?

I do not think that sociology can answer this question. We shall have to seek an objective criterion, and in my opinion this criterion is the furtive nature of the acts.²⁰

There can be little doubt that the existence of stealth provides a good rule of thumb for the observer who wishes to ascertain whether a certain incident which has come to his attention is rightly to be categorized as corrupt. As Tilman points out, corruption "loses its meaning when the transaction is so open and so accepted that all the details are clearly open to inspection."²¹ Yet apart from Brasz and Tilman, few students of corruption have seen this notion of secrecy as essential to corruption.²²

18. H.A. Brasz, "The Sociology of Corruption" in Heidenheimer, *op.cit.*, p. 41.

19. *ibid.*, p. 42.

20. *ibid.*, p. 44.

21. Tilman, *op.cit.*, p.438.

22. Not that these writers have been critical of Brasz: by and large his work on corruption and secrecy has attracted few commentators. This may have been because his article was not originally available in English, and was unfamiliar to many English-speaking academics. It may have been because Brasz' insistence on the relationship between corruption and secrecy was self evident to some writers and so unworthy of comment. As probable, however, is the objection outlined below.

There is a good reason why this should be so - namely that the existence of stealth in politics is not necessarily a function of corruption. Brasz believes that people involved in corruption are necessarily furtive. So far so good. But to state that "the furtive nature of the acts" is the "objective criterion" which determines corruption is much less satisfactory. Such a conclusion ignores the phenomenon which countless observers of the bureaucratic organizational mode, and indeed government in general, have pointed to - the mania for secrecy; the almost instinctive obsession to shield the how and the what of one's decisions for as long and as often as possible. Secrecy is indulged in almost automatically, perhaps quite unnecessarily in most cases, for examination may well reveal that decisions taken have been correctly and routinely arrived at and that no-one's position has been corruptly used to influence their outcomes. Is anyone guilty of corruption? No. Only in the act of stealth itself can a possible charge of corruption be made, and it would be very difficult to sustain such a charge where secretive behaviour was indulged in as a matter of course; as part of the bureaucratic way of doing things as it were. Furtive political behaviour may occur quite independently of political corruption then.²³ This is quite different from seeing the "furtive nature of the acts" as the "objective criterion" which determines corruption. In the circumstances outlined

23. It is likely of course, that where the bureaucratic penchant for secrecy becomes too dominant, opportunities for corruption will increase. This belief is implicit in the work of Spigelman on governmental secrecy in Australia [Jim Spigelman, *Secrecy: Political Censorship in Australia* (Sydney: 1972).] Spigelman's analysis of the dangers inherent in governmental obsession with secrecy makes use of a number of instances of official suppression of information from recent Australian political history, some of which Australians would probably condemn as corrupt use of power, and which reflect the temptation to engage in morally dubious activity when there is a good chance that the prevailing ethos of secrecy will facilitate the cloaking of the contemplated activity.

above the "furtive nature" precedes whatever corruption occurs, and is not always (or even mostly) indicative of corruption.

So secrecy is not the "objective criterion" sought by theorists of corruption. While it is true that corruption is almost invariably transacted in secret, it is not true that all that is secret is corrupt. This rule of thumb gives us an indication of what is *not* regarded by society as corrupt (in the sense that those activities which occur openly are not likely to be so regarded), but it does not tell us which of those transactions which do occur in secret are corrupt.

Who Determines Corruption?

A further problem centres around the "who" rather than the "what" of corruption. Here the problem is whether corruption is a social phenomenon or a personal one. Is an act corrupt because society decrees that it is so, or is it only corrupt if the individual concerned believes that he is doing wrong? Present throughout this thesis is the assumption that corruption is socially determined, yet a case can be made on moral grounds that no individual can be held to be doing wrong if he is not aware of any transgression of ethical imperatives on his own part.²⁴ It has already been argued that

24. There would appear to be a contradiction between this possibility and some of the statements in the preceding section of this chapter. It was held that corruption tends to be transacted in secret because those involved know that they are doing wrong and it was agreed, with Tilman, that corruption carried out openly loses its meaning. The question posed in this section of the chapter must, if it is to make sense, assume that occasionally people involved in public affairs do things which society sees as corrupt, even though the individuals responsible for these actions do not. In this case would it not be reasonable to expect them to act openly? I think not. Few people holding public office are likely to be so socially insensitive as not to realize that even if they believe their course of action to be ethical, others exist who might not. In this case discretion
(contd.)

"corruption" is essentially a term of moral condemnation: the issue which concerns us here is whether the morality which determines an act to be corrupt is that of society or the principal to the action.

The question of where the seat of ethics is to be located has commanded the attention of moral philosophers throughout history. It has enormous implications for the notion of responsibility. Many would argue that moral responsibility requires an appreciation by those involved that some wrong is inherent in the course of action contemplated. To attempt in these, the final pages of this thesis, a solution to the old philosophical problem of moral responsibility would seem overly ambitious. Nor is it necessary to do so. The needs of political science are not identical with those of other academic disciplines. This examination is concerned with corruption as a phenomenon of social and political importance. If society feels that certain forms of political behaviour are not tolerable on ethical grounds there is no reason why these forms of behaviour should not be collectively termed "corruption". Whether the principals involved must always be held morally responsible for these actions is a question for moral and legal philosophers. Political scientists are concerned with a phenomenon called "corruption", which arises from moral condemnation of certain forms of conduct within the political system *by the society* which that political system services.

becomes the politically wisest course if the intended course of action is to be successfully pursued.

Corruption as Breaking the Law

If corruption is socially determined, one is entitled to ask just how society's determination is to be ascertained. This thesis has been largely concerned with providing its own answer to this question. But perhaps a simple process has been made appear difficult. After all, there already exists a most important expression of what is acceptable behaviour and what is not - the legal system. Can one simply equate corruption with deliberate law-breaking on the part of those involved in politics, government and administration? Certainly most articles in law journals which deal with corrupt practices assume this definition.²⁵ Yet most people coming to the subject of political corruption from outside the law tend to avoid this assumption,²⁶ correctly, it will here be argued. Most would probably share the concept of corruption which led Senator Fulbright to

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25. cf. Wladimir Eliasberg, "Corruption and Bribery", *Journal of Criminal Law, Criminology and Police Science*, Vol.42 (1951). No.3. Eliasberg writes: "Corruption can be defined only by enumerating one or more legal concepts and comparing them historically and in the light of international law. (p.318)
26. One exception is Edward Banfield who, in his *Political Influence* (New York: 1961) focuses primarily on rule violation as the seat of corruption. Another is Werlin, who writes that "the more underdeveloped a country is, the more legality and morality tend to diverge." (Herbert M. Werlin, "The Roots of Corruption - the Ghanaian Enquiry", *Journal of Modern African Studies*, Vol.10 (1972), No.2, p.249.) From this point on Werlin's argument and that used in this thesis, completely diverge, for having accepted that legality and morality are not synonymous, Werlin thereafter adopts legality as the criterion for determining corruption:
- The Ghanaian concern about corruption, it is here suggested, is an indication of their progressiveness. It arises out of their awareness of the relationship of legality to political development.... If there is no consciousness of legality, there can hardly be a consciousness of corruption because it assumes some form of legality which is violated. (*ibid.*, p.262.)
- Yet it is here maintained that political corruption is determined by *moral* criteria.

write:

One of the most disturbing aspects of this problem of moral conduct is the revelation that among so many influential people, morality has become identical with legality. We are certainly in a tragic plight if the accepted standard by which we measure the integrity of a man in public life is that he keeps within the letter of the law.²⁷

There is one important problem with acceptance of the law as the expression of society's behavioural expectations in public life. As was seen, law does not always reflect social value systems even approximately.²⁸ The difficulties involved in Third World countries where western administrative systems are super-imposed on traditional value systems has already been noted. The same holds good for the superimposition of western legal systems on traditional systems.

Wraith and Simpkins write:

Africans are as law-abiding as any people in the world when the commission of a crime means offending against the mores of society, and within the ambit of family, clan or tribe where the divorce between law and religion is not yet complete honesty is as high as anywhere in an imperfect world. But loyalty to "the State" is a concept which takes time to grow, and while it is growing the sanctions of the State's laws are imperfect; many people break them with no profound sense of guilt, and endure their punishment with no deep feelings of stigma.²⁹

But even in legal systems where there is a much greater correlation between law and accepted standards of public behaviour, it would be

27. J. William Fulbright, "Moral Standards of Governmental Conduct" in Thomas A. Rousse (ed.), *Political Ethics and the Voter* (New York: 1952), p.112.

28. Thus Scott warns that to adopt legal criteria for assessing corruption carries "the danger of implicitly giving normative value to whatever standards of official conduct happen to prevail." (Comparative Political Corruption, *op.cit.*, p.5.)

29. Wraith and Simpkins, *op.cit.*, p. 184.

misleading to equate the two. Society is continually defining and re-defining its acceptable standards of public ethics and the law will always lag somewhere behind.³⁰ This is particularly true when one is confronted with a large number of practices which fall within corruption's grey zones. Many of these practices will not be in contravention of the law; nor should they be, for the essence of the grey zone is that society is still trying to decide whether these practices are to be accepted (albeit with some distaste or resignation) or are not to be tolerated. In the latter case it is in society's interests to enlist the aid of the law in attempting to eradicate the offending practice. There is, therefore a relationship between corruption and the law. It is the task of the law, where public ethics are concerned, to reflect social attitudes towards different types of political and administrative behaviour as faithfully as possible.³¹ But this task can never be completely realized, and one is forced to agree with Senturia that "the question of formal

30. Brief mention was earlier made of the incident which occurred in Tasmanian politics in 1973-1974, when it was alleged that members of the current government had conspired with an Independent (upon whose vote the previous government had depended for its parliamentary majority) to precipitate an election, and that the Independent, who was a senior member of the government of the day, withdrew his support from that government in return for a considerable financial settlement. The debate which followed was largely concerned with the accuracy of the allegations; it was accepted that if true they were instances of political corruption. Yet it was not alleged that any law had been broken, and clearly none was, even if the allegations were accurate.

31. At the same time, the law will not be a mere passive follower, but will help, in turn, to reinforce existing values and guide the development of ethical standards. Scott writes:

On a priori grounds a legalistic definition of corruption has much to recommend it, both because the illegality of the behavior has become a part of contemporary notions of corruption and because of the very real effect of the legal environment on the nature, extent, and consequences of such behavior.

(Comparative Political Corruption, *op.cit.*, p.5.)

legality" is not "the essence of the concept".³² If those practices which fit into corruption's grey zones are subject to continuous public discussion with a view to determining their nature as corrupt or acceptable (thus keeping the grey zone as narrow as possible) and embodying the outcome in law, the relationship between corruption and law will be as close as it possibly can be.

Corruption and Power

In 1887 Lord Acton wrote thus to the editor of the *English Historical Review*, Mandell Creighton: "Power tends to corrupt and absolute power corrupts absolutely. Great men are almost always bad men ..."³³ No statement relating to corruption is more frequently quoted (and mis-quoted) than Lord Acton's dictum, now an integral part of the political folklore of many western political systems. What is the exact nature of the relationship (if such a relationship exists) between power and corruption?

Rogow and Lasswell argue that a belief in a causal relationship between power and corruption was fixed firmly in western thought long before its succinct statement by Acton (though the sentiments expressed in Acton's aphorism were, they claim, "unknown to Greek and Roman political science", which "held no such view of power or the moral frailty of human nature"³⁴). They trace the origins of the tradition to Christianity:

32. Senturia, *op.cit.*, p. 449.

33. Acton's letter is reproduced in his *Essays on Freedom and Power*, Gertrude Himmelfarb, ed., (Boston: 1948), pp. 357 ff.

34. Rogow and Lasswell, *op.cit.*, p.5. This is a puzzling statement. A concern with the corrupting effects of power was clearly a major preoccupation with Plato, whose rigidly structured system of education was specifically designed to produce a breed of philosopher rulers impervious to the corrupting effects of power.

The power-corruption thesis in the western tradition probably originated with Christianity as part of a large scheme of thought, which held that human nature in general was base, corrupt, and, in both origin and perpetuity, sinful.³⁵

It is not difficult to see how this belief spread from thence into all the main strands of western political thought. Rogow and Lasswell spell out its place in liberal philosophy thus:

Everywhere there was a feeling that in the mechanics of achieving power men and institutions acquire some malignancy and the greater the power the greater the degree of malignancy. "Power ... corrupts ..." seemed to be the trickle of truth brilliantly squeezed out of a mountain of agreement, sentiment, and experience. The aphorism was immediately incorporated into the doctrinal exercises of the professional philosophers of democratic and liberal outlook. But it went much further. It ... became a mandatory article of faith in the public declarations of men of democratic action.³⁶

That a belief in the corrupting effects of power should have been a factor in the classical liberal doctrine of limited government is not difficult to appreciate. Government was to be limited in the first place because the effects of power were not to be trusted. If power corrupts, the scope of that power should be as restricted as possible, thus the fewer functions to be performed by government the better. The doctrine of separation of powers was an explicit recognition of the need to establish an institutional relationship which would help counter the natural tendency of power to corrupt those who wield it. Similarly, the democratic impetus owed much to the belief that a large alert electorate to which power holders were ultimately responsible could serve as an important counterweight to the temptations inherent in holding office.

35. *ibid.*, p.5.

36. *ibid.*, p.1.

A belief in the corrupting effects of power is also evident in other philosophical approaches to government. Given the pessimistic assessment of human nature held by nineteenth century conservatism, it is but a small step to the view that the large majority of mankind cannot be trusted with power. Perhaps not even the minority can be expected to resist the debilitating effects of power. Of Samuel Adams, one of the most conservative of influential conservatives among the Founding Fathers, Rogow and Lasswell write:

Although Adams was no democrat, his own private views tending to favor a limited monarchical form of government, he had little faith that any aristocracy could govern without abuse. Unlike many conservatives of his time, such as Hamilton, Adams insisted on a clear balance of powers in government.³⁷

A similar belief in the propensity of power to corrupt those who wield it may be seen in the various socialist movements which gathered momentum in the nineteenth century. Earlier in this chapter it was noted how Marx (and Marx was by no means unique in this respect) saw corruption as a facet of the wielding power by and for specific class interests. Carried to its logical extreme, this sentiment finds expression in:

The point of view ... characterizing the typical anarchist; he stands in an evil, government-dominated present, looking back to a lost paradise of primitive innocence, and forward to a future whose civilized simplicity will rebuild the Golden Age of liberty.³⁸

The anarchist then, sees so close an identification between corruption and political power that he advocates the total elimination of

37. *ibid.*, p.13.

38. George Woodcock, *Anarchism* (Harmondsworth, Eng.: 1962), p. 49.

political power as the only solution to the problem.

Rogow and Lasswell are less successful in their criticism of the Acton dictum than in their assessment of its importance in the formulation of various philosophies of government. They attempt to disprove the Acton principle by cursorily examining the political careers of a number of figures from American political history whom they see as ennobled rather than corrupted by office. Yet it is never quite convincing, though probably they do enough to demonstrate that power does not *necessarily* corrupt those who hold it. The trouble is that the two halves of the Acton principle, "Power tends to corrupt", and "absolute power corrupts absolutely", do not say the same thing. The second clause sees a relationship between degree of corruption and degree of power which, as stated by Acton, has the status of a generally applicable social law. The first phrase is much less ambitious, merely noting the existence of a tendency. Acton undoubtedly did hold the extreme view expressed in the second clause,³⁹ and Rogow and Lasswell have achieved their stated intention if they can show this to be inaccurate. But by doing so they do not preclude the existence of some sort of relationship between power and corruption, and here the first, less extreme section of Acton's statement becomes important: "Power *tends* to corrupt." Given the vastly greater range and scope for potential corruption which confronts (and tempts) a holder of considerable power (as compared with a person whose power

39. He states:

My dogma ... [is] the general wickedness of men in authority - of Luther and Zwingli and Calvin and Cranmer and Knox, of Mary Stuart and Henry VIII, of Philip II and Elizabeth, of Cromwell and Louis XIV, James and Charles and William, Bossuet and Ken.
(quoted by Rogow and Lasswell, *op.cit.*, p.4.)

is relatively minimal), the existence of a relationship between power and corruption not only quite obviously exists, but almost comes to assume the status of a truism. The ability to wield power in the first instance is a most important precondition of corruption, and the greater one's power, the wider may be the scope of one's activity.⁴⁰ On the other hand, many individuals who wield power are, as Rogow and Lasswell point out, aware of its corrupting temptations, and the steps they take to minimize these temptations, or to strengthen their ability to resist them, may well have an ennobling effect.

40. This does not make one "more corrupt" of course. Because "corruption" is a term of moral condemnation, the scope of one's corrupt activities is not a guide to the degree to which an individual may be held to be corrupt.

CONCLUSION : PROBLEMS IN ANALYSIS

OF POLITICAL CORRUPTION

A significant observation on the study of political corruption is that little consensus exists concerning the resolution of its many problems. These problems fall into four general areas. The first three are problems of theory: what circumstances are conducive to widespread corruption; what is the impact of corruption on the political system in which it occurs; and of what does corruption comprise? The fourth is a problem of methodology: how can corruption be made amenable to comparative study?

The first of these is the most readily tackled. The factors which typically contribute to high levels of corruption have been identified - the size of the political system, the existence of an intermediary class of officialdom which regulates dealings between private individuals and governing authority, the degree of decentralization of power, the absence of a crusading ideological fervour to divert men's ambitions from private to public goals, war, inequality of wealth, rapid social change social and political complexity, the absence of widespread literacy and the effective mass communications necessary to enable general interest in and scrutiny of public affairs, and the absence of rationalistic bureaucratic procedures with an accompanying professionalism reflected in strict standards of public ethics. Many of these factors were noticeably prevalent during those three historical periods identified as the focus of an overwhelming proportion of existing studies of political corruption.

The second of these, the political importance of corruption, is much more difficult to resolve. The controversy between those who see corruption as universally destructive in its political effects and those who see corruption as performing a beneficial function (at least in some circumstances) is one of the two most contentious debates among students of corruption. Its most characteristic feature is the polarisation of opinion which it exhibits. At one extreme stand the moralists, whose morally-based revulsion against corruption leads them to make the unwarranted assertion that the practical effects of corruption can never be held to be politically or socially useful. At the other extreme stand the functionalists, who rightly insist that ethical judgements must be suspended in attempting to ascertain the political effects of corruption. Yet the functionalists (with significant exceptions) have tended, in reaction to the unyielding position of the moralists, to also champion too extreme a position. In short, there is nothing inherent in the phenomenon of corruption to suggest that it is likely to be functional or dysfunctional in its impact on the political system - to determine this an assessment must be made in each instance, where there are likely to be both pros and cons which must be weighed against each other. The conclusion then, is likely to be an on balance one, and will not necessarily be applicable under different circumstances.

The examination of two likely areas of impact sheds further light on this problem. The first of these studies the relationship between corruption and revolution, and it becomes evident that corruption is not normally the prime cause of political revolution which it is often claimed to be - the corruption of the overthrown regime is rather used as a post-facto justification of the coup or

revolution by the new regime. It is possible, however, to isolate factors which make this assertion an extreme generalization from which there will be exceptions. Where corruption is used as a weapon of ethnic discrimination, for example, its contribution to system breakdown is likely to be considerable (though probably not primary). Similar conclusions are reached from an examination of the conventional wisdom of liberal democracy that an enraged electorate will turn on rascals and vote them out of office. Though there is evidence to suggest that as a general rule allegations of corruption are unlikely to result in adverse electoral repercussions for those concerned, such evidence is not absolutely conclusive and the possibility that charges of corruption will have sufficient impact to induce an electorate to remove those involved cannot be completely discounted.

The third of these general problems - that of determining just what corruption is - is even more formidable. It is also a more urgent problem than the above two, for obviously it is not possible to describe those circumstances which are conducive to corruption, or the impact which corruption has on the political system in which it occurs, without first establishing what corruption is. A large number of attempts at definition have been not only misleading, but have retarded academic understanding of corruption as a political phenomenon by identifying as its definitive essence, characteristics which are secondary aspects of corruption at best. Thus H.A. Brasz sees secrecy as the denotative core of the concept of corruption, Wladimir Eliasberg, Edward Banfield and Herbert K. Werlin see it as breaking the law, and David H. Bayley and Ralph Braibanti (among others) see it as the transgression of western bureaucratic norms.

Each of these attempts to objectivize corruption involves a serious misunderstanding of the true nature of political corruption. Early in the thesis each of those terms most normally associated with corruption was defined, and its relationship to corruption was examined. It was noted that, unlike 'corruption', these terms referred to readily specifiable actions, and were thus, again unlike 'corruption', relatively easy to describe. 'Corruption', it was argued, was the species-term which brought these various activities together into one category, and the common factor which the creation of a public service job for one's nephew had in common with the provision of a banquet by a parliamentary candidate for members of his electorate, was the designation of these political activities as unethical. The denotative core of 'corruption', in other words, is the negative moral connotation which is invested in those specific and definable activities which are characterized as 'corrupt'.

Each of the above commentators then, has misinterpreted the nature of corruption. Part of this misinterpretation is attributable to their concern to find an objective standard by which to render corruption more amenable to academic study. Such attempts are doomed to failure, simply because the moral essence of the term 'corruption' is such that it cannot be objectivized. Ethics cannot be reduced to any neat formula or law because the ethical standards which prevail in a given social environment will not necessarily prevail under different circumstances. Corruption, in other words, is culturally variable.

This conclusion is reinforced by analysis of corruption as an historical phenomenon, where differing concepts of corruption can be

identified at different periods of history. It is also possible to identify variations in the concept of corruption as it exists in different cultural traditions today. Yet the question of whether corruption is culturally variable remains one of the two most contentious issues in the study of corruption, and the specific terms of this debate were accordingly examined. Unlike the moralist/functionalist controversy, in which the position of each of the two antagonists is untenable at the polarised extremes where most theorists have tended to gravitate, in this instance a more confident conclusion concerning the debate between the absolutists (those who posit an inflexible universal standard of public ethics) and the relativists (those who see such standards as culturally variable) has been reached. At the level of theory victory belongs undoubtedly to the relativists. The most cursory analysis of political culture is enough to show that different societies will not hold the same standards of what is legitimate public conduct. For example, much of the corruption discussed in the context of underdeveloped countries (where the prime concern was to assist in the identification of those conditions which supposedly contribute to high rates of corruption), might appear in a different light after an analysis of prevailing ethical criteria. It is not possible to say whether, as a general rule, corruption is likely to be functional or dysfunctional in its political impact. That controversy remains stymied. It is possible to say whether standards of corruption are or are not culturally variable. This debate is more amenable to solution for unlike the former controversy, in this case one side is right and one wrong.¹

1. In one sense it can be held that in the functionalist/moralist debate, the functionalist is right and the moralist wrong. The moralist, it has been noted, is right in adopting his *approach* (contd.)

This brings one to a further problem of corruption, a problem which arises from attempts to render the subject of political corruption suitable for comparative analysis. Corruption, it was argued, is not readily suited for academic study, despite the claims of Colin Leys. Corruption is highly sensational and 'gossipy', and as such tends to attract the attention of zealous crusaders rather than detached scholars. It is simply much more difficult to document and analyse an elusive phenomenon whose normal manifestation is unsubstantiated rumour and innuendo than an institution (such as a legislature or a political party) which can be pinned down and dissected into its component parts. On the other hand, the very reasons that make political corruption a difficult subject for academic investigation make it extremely attractive to journalists, for exposure of political corruption provides ready rewards in the form of paper-selling headlines for the diligent newspaper sleuth.

Reaction to the sensationalism of journalistic writings on corruption, and to the investigatory problems stemming from the shadowy nature of corruption, has given rise to attempts to find some basis other than the moral essence of corruption by which

to the problem of the political effects of corruption, whereas the approach of the moralist is highly suspect. In discussing the moralist/functionalist debates, however, it was found convenient to refer mainly to the 'typical' functionalist position, for it is around differing interpretations rather than approaches that the debate has centred. This is unfortunate, for underlying the starkly-contrasting moralist and functionalist interpretations are starkly contrasting approaches to the problem, one of which is valid while the other is not. It would be preferable to use these terms to refer to approaches (as was argued earlier - see pp.152-153). But as the purpose has been to point up the deficiencies in the debate as it currently exists, generally the term 'functionalist' has been used to refer to an adherent of the position which is typically arrived at by those who have adopted the functionalist approach, and which, in its over-reaction to the inflexibility of the moralist position, has no greater validity than the moralist extreme.

comparative analysis might be facilitated. Hence the work of Bayley, for example, who argues that western rationalistic norms must be adopted as the basis for comparative analysis, for only in this way can the 'non essential' moral connotations, which have so bedevilled attempts at comparative analysis of corruption, be discarded. Such an approach reflects a gross misunderstanding of the nature of political corruption. Corruption is *not* an identifiable practice, but a quality imparted certain practices; a moral quality. These 'certain practices', those activities most typically associated with corruption, are amenable to comparative study specifically because they refer to identifiable, non-variable activities, and any such comparative study can ignore the activity's ethical standing - i.e., whether or not it is corrupt. This is not the case with corruption. Cultural norms are less readily studied than specific activities, yet this is what the comparative analysis of corruption involves, for 'corruption' is a term of moral judgement.

It is obvious then, that the only way in which corruption can be adequately analysed comparatively is for it to be redefined in each differing set of circumstances. To search for a more objective short cut, as many theorists have done, is to misinterpret the essential nature of corruption as a political phenomenon. To redefine corruption in every changed cultural setting is a daunting task: however, and small wonder that so many academics have shied away from the attempt. Yet anything less is inadequate, and in any case, it may be that this task is less formidable than it appears on the surface. It has been stated that the major weakness in the relativist position is its refusal to recognize that between cultures a high degree of consensus will exist that certain practices are corrupt, and that

inter-cultural diversity is most likely to be found around the fringe area of public ethics - those twilight activities of dubious morality which have been referred to as corruption's grey zone.

This immediately makes the task of comparative analysis somewhat easier, and an attempt was made to show how this task might be tackled by looking at the situation in Australia. Though it was not possible to come to any firm conclusions regarding the ethical standing of the two grey zone activities which were examined by way of example - conflict of interest and lying in Parliament - this was rather because Australians themselves have come to no firm conclusions regarding these matters, than because of inadequacies in this method of analysis. Moreover, a number of generalizations about political corruption in Australia were made. It was argued that public discussion about corruption occurs less frequently and at a lower level of sophistication in Australia than in the United States or the United Kingdom, and that where it does occur it is more likely to be motivated by hope of partisan gain than the clarification of the ethical standing of certain practices. It was noted that corruption exists more frequently at local and state government levels than in federal politics, and that since 1901 it has been more typically associated with the Labor Party than with the non-labor forces in Australian politics. It was argued that a larrikin streak continued to exist in Australian politics until well into the twentieth century, and that this has also contributed to corruption. Finally, it was held that a relatively large area of uncertainty in public ethics exists, and that little progress has been made towards the construction of written codes of ethics.

It must be pointed out that one other observer has advocated

an approach similar to that which is here championed. Donald Miller also argues that corruption is determined by cultural and social values, and that the seat of corruption must be drawn from analysis of national character. This approach provides opportunities for 'a cross-cultural analysis of corruption', while avoiding

... the difficult problem of definition: a problem which beggars so much of the existing literature. A definition has been an impediment because it either is too narrow to be comprehensive, or too broad, thereby encompassing behaviour many would certainly not want to consider corrupt.²

One problem with this approach is that it glosses over the wide range of diversity which exists within a broad national culture. The problem was acknowledged in this thesis, and Miller also notes it, though he goes on to assert that "it is nevertheless understandable ... to concentrate on isolating the one dominant mode which distinguishes one society from another."³

Though the interpretation offered in this thesis resembles that of Miller more closely than it does any other, there are some important differences. One is that the respective approaches to culture and corruption are in sharp contrast. Miller analyses national character to arrive at standards of public ethics. He takes examinations of national character (that of Orrin Klapp on the United States for example⁴), and searches for values which "are probably relevant to a study of corruption",⁵ whereas discussion here takes given instances of questionable political behaviour, and the attempt is made to ascertain what ethical standards are from analysis of public

2. Miller, *op.cit.*, p. 65.

3. *ibid.*, p. 65.

4. *ibid.*, pp. 67-69.

5. *ibid.*, p. 67.

reaction to these incidents. Secondly, it is not claimed here that this approach avoids "the difficult problem of definition", nor does the similar treatment of Miller defuse this problem, despite his claims to the contrary. Moreover, it is not necessary that it should do so, for Miller over-states this difficulty of definition. Corruption is not difficult to define - for defining a phenomenon is not to endow it with all its variable characteristics. It is the confusion of the essential aspects with the variable which has made corruption seem difficult to define. Yet surely what is to be cross-culturally studied is (among other things) the very differences which may occur between the clothes which corruption wears in different cultural contexts.

What elements would a valid definition of corruption need to contain? Recognition of the cultural relativity of corruption and that the definitive core of the concept is one of moral judgement, are two factors which such a definition would need. A number of other points stem from this. The legal status of an act is irrelevant to the definition, for example, as is the question of whether an act is performed openly or in secret. Another popular misconception has it that corruption involves personal material gain on the part of the corrupted official. But if 'corruption' is a species-term for those activities which are held to be morally illegitimate when performed by a public official, it can obviously include practices which involve neither material gain on the part of the corrupt official (nepotism, for example) and which are not selfishly motivated (corruption may occur on behalf of a group in which the corrupt actor has no direct stake, but whose interests he has come to strongly identify with, for ideological or other reasons). Few

existing definitions satisfy all these conditions. One which does is that of Carl Friedrich, who writes:

Corruption is a kind of behavior which deviates from the norm actually prevalent or believed to prevail in a given context, such as the political Such private gain may be a monetary one, and in the minds of the general public it usually is, but it may take other forms. It may be a rapid promotion, an order, decorations, and the like, and the gain may not be personal, but benefit a family or other group.⁶

This definition meets all the essentials of the concept, and no obligation has been felt to attempt to improve on it in any way.

One final point needs to be made. There is one other category of problems involved in the study of corruption - to wit, those questions which remain largely unasked; which have yet to be recognized as problems in the theory of political corruption. Two of these unasked questions have been identified. One centres around the question of whose ethics determine corruption - those of society, those of some primary sectional group within society, or those of the individual himself? This question has been dealt with rather summarily, and the conclusion was reached that corruption (as a political phenomenon) is determined by the society as a whole, and not the individual. Presumably on occasions the determinant can be some smaller section of society. Yet a rather serious perennial problem of moral philosophy is involved here, though it is not often recognized as such in this form, and it obviously deserves greater consideration than the cursory treatment here accorded it.

The second concerns the ideological dimension of corruption - that which refers to an entire political system as corrupt because its practice and/or theoretical assumptions are held to pervert the

6. The Pathology of Politics, *op.cit.*, p. 127.

true social purpose of man. It was pointed out that historically the term 'corruption' was generally used in this sense, and that it is only in the last hundred years or so that this dimension of meaning has faded from view. Yet it does not thereby cease to exist, and it would be well if theorists of corruption were to recognize this other level of meaning and to clearly differentiate it from the sense in which 'corruption' is currently employed. This ideological usage is probably not amenable to academic study. Once its existence is acknowledged, it is unlikely to seriously impair the analysis of political corruption along the lines suggested here, and in the sense that it has been defined by Friedrich. This constitutes the soundest approach to its academic study.

APPENDIX : SURVEY TO EXAMINE TASMANIAN
ATTITUDES TO POLITICAL CORRUPTION

Introduction

Late in 1971 a survey of conceptions of and attitudes towards corruption among people actively involved in public affairs in Tasmania was undertaken. The complete findings of this survey are here reproduced. Much of this material duplicates data used in the body of the text, but it seemed useful to furnish the findings of the entire survey as an appendix, so that the reader may assess for himself the usefulness of the project and the validity of the information it provides. It is also felt that the survey may provide some findings of interest beyond the immediate concerns of this thesis. Question 8(a) for example, provides data on a problem not normally considered in connection with political corruption (and as the findings to question 8(b) reveal, few people [only 10.99%] do see any connection with political corruption). The information elicited by question 10 may be similarly useful.

The survey questionnaire was sent to 233 people, consisting of all Tasmanian parliamentarians at both federal and state level, all executive officers of every political party then active in Tasmania, the branch secretaries of all party branches in the Hobart metropolitan area, all members of the Hobart City Council, a number of senior political journalists, a number of senior public servants, and certain individuals involved in pressure group activity in Tasmania. Each questionnaire was personally delivered, and a postage-paid envelope was included to enable the respondent to mail in the completed document. Ninety-one persons responded to the survey,

which is an exceptionally high response, given the amount of time involved in its completion.

Despite this extremely gratifying response, the results of the survey have been used only sparingly, and then with certain reservations. Some of the weaknesses in the survey have already been discussed in connection with specific questions. There are, however, a number of more general reasons for treating the results with a degree of scepticism.

The first of these concerns the sample. To ask questions of public figures concerning corruption is to have one's respondents immediately wary. The defensiveness of respondents manifested itself in a large number of cases as hostility towards the survey, and though less easy to ascertain, one may expect that the opposite process was also at work and that some respondents, no doubt feeling that their position demanded an uncompromising attitude towards corruption, were most anxious to conform to type and tell the interviewer what they believed he wanted to hear. In addition, the fact that the respondents were all public figures renders it difficult to confidently assert on the basis of these results, anything about generally held attitudes towards political corruption. Question 3, for example, seeks the attitude of respondents to the statement "politics is a 'dirty game' in which people become involved for what they can get out of it". It seems highly likely that the response obtained from asking the actual people concerned for their reaction to this statement will be significantly different from the response obtained from a sample of the general public, where greater cynicism concerning the motivations of politicians is almost certain to prevail. The findings of such a question would be much more useful if the

questionnaire had had built into it a means of distinguishing between different categories of respondents. It is possible that differences might exist between the responses of party branch secretaries and parliamentarians, for example, or between affiliates of major parties and adherents of minor parties. Similar observations can be made about question 11, which asks people the appropriate personal response to certain morally dubious activities. This question, it was hoped, would provide evidence of the degree of fatalistic acceptance of such activity. That all respondents were active in public affairs renders any such observation impossible however. In each of (a), (b), and (c), greater knowledge of and access to the political system is likely to inflate the response "feel it your duty to bring the matter to the attention of higher authorities" and deflate the response "ignore the matter as none of your business".

Much of the data obtained is of limited value then, without a survey of attitudes of the general public with which the information presented here can be compared. This was, in fact, originally intended. When the project was first undertaken, one of the themes which it was hoped to pursue was whether the general public held significantly different attitudes towards corruption than were to be found among people active in public affairs. It seemed that one could confidently expect active participants in public affairs to be more concerned about corruption and more confident in their assertions of what corruption consisted, simply because the nature of public activity would force them to grapple with questions of what was permissible behaviour (and what was not) to an extent which one would not normally expect from members of the general public. The value

of such a survey of the general public first began to seem doubtful after an initial reading of the comments attached to this survey. Even among active participants in Tasmanian public affairs there was a marked inability to understand many questions, and appended comments were frequently pitched at a very simplistic level, and took the form of slogans or brief dogmatic assertions of puzzling meaning. If the assumption was correct that an even lower level of understanding prevailed among the general public, the questionnaire as it stood would most probably be incomprehensible to a majority of respondents. Nor could any means be found of simplifying the survey in such a way that this problem could be circumvented while still allowing comparison with the results of the concluded survey. A pilot study, conducted among workers and staff (at all levels) of the Cascade Brewery in Hobart, confirmed this suspicion and the project was reluctantly abandoned. (It may be, of course, that this in itself constitutes a finding of considerable importance, in that it indicates an inability on the part of Tasmanians to even comprehend questions of public ethics, at least above a very basic level.)

An even more important limitation concerns deficiencies in the questions themselves. Probably the single most important weakness is that the questions are not sufficient flexible to allow for a most important variable - differences in the gravity of the offence committed - which not only determines the appropriate response, but possibly whether an action is to be designated as corruption or something else. Comment on this problem has already been made at a number of places in the text. A quick look at the questionnaire suggests that this difficulty was present in questions 6, 7, 8, 9, 10, and 11. A similar problem, and one not hitherto mentioned, is that questions

which call on the respondent to nominate an appropriate response to a given action do not make any distinction between an isolated (or first) instance and chronic occurrence, a variable which certainly affects the choice of appropriate option. This limitation applies particularly to questions 6, 8, 9, 10, and 11.

Again, some questions were badly worded. For example, it is impossible to know whether "no" respondents in question 15(b) were in disagreement with the first clause: "corruption can only flourish under conditions of inefficiency", or the second clause: "corruption must lead to increased inefficiency". In question 12, option (iii) simply does not fit into the question, unless one assumes that a government will only accept the proposition that "some interests require special representation and boundaries must be drawn with these interests in mind" when its own electoral prospects are thereby enhanced. That this assumption is present makes it a rather loaded question. Thus one respondent, recognizing the assumption behind the question, commented in selecting option (iii): "Only if this is the *real* reason for drawing up the boundaries in a particular way of course."

Further problems stem from the time lapse since the survey was conducted. As argued earlier, conceptions of corruption are likely to change through time, and to some extent, instances of corruption, real or alleged, are likely to help shape these changes. In question 2, for example, the level of government which respondents thought to be least affected by corruption was the level of state government. Yet the survey took place amid a gathering storm of controversy concerning impropriety on the part of a former state Minister for Lands, and since that time a further major scandal has occurred in state

politics. It seems likely that the option "state government level" would score higher than 9.98% if the same survey was conducted today.

The questionnaire also reflects priorities which were subsequently downgraded during the course of research. The need to concentrate on the so-called grey zones was early established,¹ but the grey zones which were chosen for examination in 1971 are not the ones which information would necessarily be sought about now. Question 10, for example, which is an extensive attempt (it consists of six sub-parts) to obtain information relating to the connection between public and private morality, was included because at the time it was intended that a chapter on this subject be included. At the time controversy on the issue was still comparatively widespread, due mainly to the earlier attempts by Mr. Edward St. John to provoke public discussion on the matter in relation to the prime ministership of John Gorton.² The fact that only 6.59% of survey respondents held that an individual was guilty of political corruption if he allowed "his private³ life to interfere with the execution of his public duties" suggests that the decision to drop this planned chapter was soundly based.

The purposes for which some questions were formulated are no longer completely clear. Question 15, for example, apart from providing some insight into the strength with which fashionable stereotypes about corruption are held, does nothing except indicate whether

1. It is for this reason that the survey, like the thesis itself, concentrates on activities on the border between corruption and accepted political behaviour. It was felt that there was little to be gained from questions on bribery and the more obvious forms of electoral malpractice.
2. cf. Edward St. John, "Private Life and Public Office", *The Australian Quarterly*, Vol.41 (1969), No. 2, pp. 28-40.

respondents tend to agree or disagree with a point which was established in the body of the text.

Further problems occurred over the inability of many respondents to appreciate the purpose of the survey. As stated, many surveyees reacted with hostility. At least two departmental heads circulated notices to their departments forbidding departmental officers to complete the questionnaire, and one personal friend later informed me that my survey had caused quite a furore in the particular department in which he was employed. Besides this, a number of letters of varying hostility were received, some rather abrupt,³ others taking the trouble to explain why their writers could not see their way clear to respond.⁴ A degree of hostility was also discernible in the comments of many people who nonetheless responded to the questionnaire. In this matter, however, the fault lies with the respondents, many of whom seem to have glanced far too cursorily at the covering letters of the author and Dr. Peter Boyce. The aim and nature of the survey was adequately explained in these

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3. One A.L.P. branch secretary, a former senator, wrote that he declined "to discuss such a subject and will definitely not enter into any form of correspondence on same." A number of other rather curt responses came from people associated with the A.L.P., though the most encouraging responses also tended to come from within this party. Another rather abrupt response came from the Director of Lands, who simply stated: "I think it is improper that I should be requested to supply information of this nature." It should be pointed out, however, that by unfortunate coincidence the questionnaire was distributed only days after the then Attorney-General, Mr. Max Bingham, had announced his intention to prosecute a former Minister and a former Director of Lands on conspiracy charges. Given the unenviable circumstances in which former senior officers of the Lands Department found themselves at the time, the above response is understandable.
 4. At this extreme stand, for example, the Clerks of the House of Assembly and Legislative Council, who went to some trouble to explain that, regrettably, protocol made it impossible for them to complete the questionnaire.

letters, and many misconceptions would not have occurred had respondents read these letters with greater care. Many people, for example, demanded that a definition of corruption be supplied which they could apply to the questions. One respondent to question 1 asked:

What is political corruption? Is it the taking of bribes or otherwise obtaining personal pecuniary advantage from public office? If so, the answer is rarely. If it is other forms of corruption, such as moral and ethical, then the answer is frequently.

Yet it was stated in as many words in the opening paragraph of the covering letter that the survey was concerned with "*conceptions of and attitudes towards political corruption.*" It should have been clear then, that any definition arrived at would be in response to the answers provided. Another non-respondent advanced the extraordinary proposition that the surveyor should be required to demonstrate the existence of corruption before writing on it. He stated: "I note that your thesis is on the nature of political corruption. It presupposes apparently that there is political corruption. This assumption seems to me unfortunate and unscholarly.... In my view a study of actual cases and the evidence associated with them is necessary." This respondent had no grounds for assuming that investigations of such studies had not already been undertaken (which in fact they had). In any case, the question is irrelevant. As it was pointed out that it was "*conceptions of and attitudes towards political corruption*" with which the survey was concerned, the question of whether corruption exists is less important than the even more basic question of what sorts of activity - currently existent or not - the respondents would consider corrupt. That this element of hostility was present despite attempts to allay any misgivings

which respondents might have had (given the "touchy" nature of the subject matter) was disappointing, the unfortunate coincidence of distribution of the questionnaire with the Crown Lands conspiracy notwithstanding.

Finally, the survey has been downgraded simply because the emphasis of the thesis has changed since 1971. It seemed premature to carry out a major empirical study on corruption in Australia when so many deficiencies existed in the theory of corruption. The result is that the original conception of the thesis - an empirical study of Australian corruption with a brief theoretical introduction - has given way to an examination of the current state of theory, and such empirical data as has been used are included in an attempt to show by example, a means of breaking through the current theoretical impasse.

QUESTIONS AND RESPONSES (n = 91)

Qn. 1. Do you believe that political corruption in Australia occurs:

(i)	frequently	.	6.59%
(ii)	sometimes	.	58.24%
(iii)	rarely	.	32.97%
(iv)	never	.	0.00%
(v)	no opinion	.	0.00%
	No answer	.	2.20%

Qn. 2. Insofar as corruption might occur in Australia, do you believe it is more likely to appear at:

(i)	Federal government level	10.99%
(ii)	State government level	9.89%
(iii)	Local government level	24.17%

or that

(iv)	there is no reason to suppose that corruption is more widespread at one level than another.	51.65%
(v)	no opinion	2.20%
	No answer	1.10%

Qn. 3. "Politics is a 'dirty game' in which people become involved for what they can get out of it.

Do you consider this statement to be true of:

(i)	all men in politics	1.10%
(ii)	most (but not all) men in politics	8.80%
(iii)	many men in politics	19.78%
(iv)	a few men in politics	63.73%
(v)	none at all	3.29%
(vi)	no opinion	2.20%
	No answer	1.10%

Qn. 4. Do you believe that:

(i)	Corruption can and must be eliminated from public life	38.46%
(ii)	Corruption can be eliminated, but as it rarely occurs the issue is not important	13.19%
(iii)	Corruption can be eliminated and occurs frequently, but is unimportant compared with other more serious political problems	5.49%
(iv)	It is important to try to eliminate political corruption, but the effort is doomed to failure	36.26%
(v)	It is unimportant to try to eliminate political corruption, because corruption is a fundamental part of political life	4.40%
(vi)	No opinion	1.10%
	No answer	3.30%

Qn. 5. Here follows a list of political issues with which Australians may be faced. Rank in order from 1 to 8, with 1 the more important and 8 the least important:

(i)	inflation	7.00
(ii)	The growing power of the Commonwealth at the expense of the states	4.81
(iii)	The threat of communism	3.65
(iv)	corruption in politics	2.77
(v)	preservation of natural resources	4.37
(vi)	drug abuse	3.94
(vii)	The disenchantment of young people with our system of government	4.27
(viii)	rural reconstruction	5.07

Note: Figures expressed here are mean scores.

Qn. 6(a) Do you believe that Ministers of the Crown, parliamentarians and/or senior public servants should be allowed to use their positions for personal financial gain in a manner not officially provided for?

(i)	yes	0.00%
(ii)	in certain circumstances only	5.79%
(iii)	no	85.71%
(iv)	no opinion	0.00%
	No answer	5.50%

If your answer to 6(a) was "yes" or "no opinion" proceed to question 7. If you answered "no" or "in certain circumstances only", complete the following sections:

Qn. 6(b) Indicate which of the following courses of action should be taken in the event of a Minister of the Crown using his position for personal financial gain in a way of which you disapprove. (Indicate the strongest action which you believe should be taken.)

(i)	The Minister should be chastised by his Prime Minister/Premier	7.69%
(ii)	The Minister should be transferred to another ministerial position	0.00%
(iii)	The Minister should be removed from the Ministry	40.66%
(iv)	The Minister should be expelled from his political party ..	3.30%
(v)	The Minister should be forced to resign his seat in Parliament ..	35.16%
(vi)	The Government of which the Minister is a member should resign and contest an election ..	2.20%
(vii)	no opinion	2.20%
	No answer	8.79%

(c) Indicate which of the following courses of action should be taken in the event of a member of Parliament using his position for personal financial gain in a way of which you disapprove. (Indicate the strongest action which you believe should be taken.)

(i)	The M.P. should be chastised by his party leader	25.28%
(ii)	The M.P. should be expelled by his parliamentary party	4.39%
(iii)	The M.P. should be expelled by his political party	5.47%
(iv)	The M.P. should be required to resign his seat in parliament ..	53.85%
(v)	no opinion	2.20%
	No answer	8.79%

(d) Would you vote for a member of parliament who had used his position for personal financial gain in a way of which you disapprove?

(i)	Yes. Considerations such as these are unimportant and irrelevant	0.00%
(ii)	Only if he had other redeeming features (e.g., energetic and hard-working on behalf of the people in his electorate, unafraid to speak his mind on controversial matters, etc.)	29.67%

(iii)	Under no circumstances	..	62.64%
(iv)	no opinion	..	1.10%
	No answer	..	6.59%

- (e) Indicate which of the following courses of action should be taken in the event of a public servant using his position for personal financial gain in a way of which you disapprove. (Indicate the strongest course of action which you believe should be taken.)

(i)	The public servant should be chastised by the head of his department	..	17.58%
(ii)	The public servant should be demoted	..	19.78%
(iii)	The public servant should be dismissed	..	49.45%
	no opinion	..	2.20%
	answer	..	10.99%

- (f) Indicate which of the following courses of action should be taken in the event of a public servant using his position for personal financial gain in a way of which you disapprove. (Indicate the strongest course of action which you believe should be taken.)

(i)	The matter should be brought to the public's attention	..	18.68%
(ii)	It is enough that the department concerned takes the necessary action	..	12.09%
(iii)	The matter should be brought before the public if it is serious, but otherwise can be handled internally	..	61.54%
(iv)	no opinion	..	1.10%
	No answer	..	6.59%

- Qn. 7(a) In your opinion should a Minister of the Crown, member of parliament or public servant be permitted to use his position to secure preferential treatment for job applicants who are:

	Yes	No	Undecided
(i) members of his family	9.90	84.61	0.00
(ii) personal friends	8.79	85.72	0.00
(iii) members of the same religious faith	7.69	86.82	0.00
(iv) members of the same social or sporting clubs	7.69	86.82	0.00
(v) political supporters (in the case of parliamentarians)	10.99	82.42	1.10
(vi) constituents (in the case of parliamentarians)	26.37	65.94	2.20

No answer

5.49%

(N.B. It is assumed that while friends, relatives, political supporters, etc. may also be constituents, it is in their capacity as relatives, friends, political supporters, etc., rather than as constituents, that the M.P. is assisting them in instances (i)-(v).)

- (b) In your opinion should a Minister of the Crown, member of Parliament, or public servant be permitted to use his position to assist the financial dealings of:

	Yes	No	Undecided
(i) members of his family	4.40	90.11	0.00
(ii) personal friends	3.30	91.21	0.00
(iii) members of the same religious faith	3.30	91.21	0.00
(iv) members of the same social or sporting club	3.30	91.21	1.10
(v) political supporters (in the case of parliamentarians)	3.30	90.11	1.10
(vi) constituents (in the case of parliamentarians)	13.19	79.12	2.20

No answer

5.49%

(all figures in the tables in question 7 are percentages)

Qn. 8(a) A public servant who has access to classified information feels that the Government or a particular department is suppressing information which that person believes the public has a right to know. In this situation is the public servant:

- | | | |
|---------|--|--------|
| (i) | justified in leaking this information | 24.17% |
| or (ii) | is his prime obligation one of unquestioning loyalty to the government, in which case he must suppress his personal feelings and maintain secrecy. | 68.13% |
| (iii) | no opinion | 3.30% |
| | No answer | 4.40% |

If you ticked alternative (i) as you answer to Qn.8(a), move on to Qn.9. If you picked (ii) or (iii) complete the following section:

(b) Would you label an action such as that described in Qn.8(a) a "corrupt" act, or would you use some other adjective, e.g., "misguided", "treasonable", etc.?

- | | | |
|-------|------------------------------|--------|
| (i) | corrupt | 10.99% |
| (ii) | misguided | 36.28% |
| (iii) | treasonable | 6.60% |
| (iv) | other (suggest, if possible) | 10.99% |
| (v) | no opinion | 5.49% |
| | No answer | 5.49% |

percentage precluded from completing this section because of their response to Qn.8(a)

24.17%

Qn. 9 (a) Would you vote for a member of parliament who you knew had deliberately lied to parliament?

- | | | |
|-------|--|--------|
| (i) | under no circumstances .. | 69.22% |
| (ii) | only if he had other redeeming features .. | 19.78% |
| (iii) | yes, because though unfortunate, the matter is of insufficient importance to influence your vote | 3.30% |
| (iv) | yes, because lying is a legitimate political tactic .. | 3.30% |
| (v) | no opinion .. | 2.20% |
| | No answer .. | 2.20% |

- (b) If a member of parliament told a deliberate lie in parliament, would you classify this as:

(i)	political corruption	..	49.45%
(ii)	acceptable political behaviour		5.49%
(iii)	something else (suggest what if possible)	..	36.27%
(iv)	no opinion	..	5.49%
	No answer	..	3.30%

- Qn.10(a) Do you believe that the private lives of Ministers of the Crown, members of parliament, and public servants should be:

(i)	completely above moral reproach	25.27%
(ii)	their own business entirely	12.09%
(iii)	their own business except insofar as they interfere with the execution of their public duties	61.54%
(iv)	no opinion	0.00%
	No answer	1.10%

- (b) If a person holding a position of public importance allows his private life to interfere with the execution of his public duties would you label this:

(i)	political corruption	.	6.59%
(ii)	indiscretion	.	76.92%
(iii)	something else (suggest what if possible)	.	12.09%
(v)	no opinion	.	1.10%
	No answer	.	3.30%

- (c) If you were convinced that a member of parliament's private life was interfering with the execution of his public duties, would you:

(i)	refuse to vote for him under any circumstances	..	38.46%
(ii)	vote for him only if he had other redeeming features	.	43.95%
(iii)	consider it unfortunate, but of insufficient importance to influence your vote	.	13.19%
(iv)	consider it of no important whatsoever	.	0.00%
(v)	no opinion	.	2.20%
	No answer	.	2.20%

(d) If you were convinced that a member of parliament's private life was interfering with the execution of his public duties, would you want:

- | | | | |
|-------|---|----|--------|
| (i) | the party leader to speak to him about it | .. | 79.12% |
| (ii) | some stronger course of action to be taken (suggest what if possible) | .. | 18.68% |
| (iii) | no action to be taken at all | | 1.10% |
| (iv) | no opinion | .. | 1.10% |
| | No answer | | 0.00% |

(e) If you were convinced that a Minister of the Crown's private life was interfering with the execution of his public duties would you expect him to be:

- | | | | |
|-------|---|----|--------|
| (i) | demoted to a less important ministerial position | .. | 7.69% |
| (ii) | dropped from the Ministry | .. | 56.04% |
| (iii) | chastised by the Prime Minister/Premier but allowed to retain his portfolio | .. | 23.08% |
| (iv) | no action to be taken as the matter is of insufficient importance to warrant any action | .. | 4.40% |
| (v) | no opinion | .. | 2.20% |
| | No answer | .. | 6.59% |

(f) If you were convinced that a public servant's private life was interfering with the execution of his private duties, would you expect him to be:

- | | | | |
|-------|--|----|--------|
| (i) | demoted | .. | 26.37% |
| (ii) | dismissed | .. | 15.38% |
| (iii) | chastised by the Head of his Department but allowed to retain his position | .. | 42.86% |
| (iv) | no action to be taken as the issue is of insufficient importance to warrant any action | | 3.30% |
| (v) | no opinion | | 2.20% |
| | No answer | | 9.89% |

Qn. 11(a) If you had certain knowledge that a person in a position of authority had allowed his private life to interfere with the execution of his public duty, would you:

(i)	ignore the matter as none of your business	..	12.09%
(ii)	feel it your duty to bring the matter to the attention of higher authorities	..	60.44%
(iii)	adopt some other course of action (suggest what if possible)	..	18.68%
(iv)	no opinion	..	3.30%
	No answer	..	5.49%

(b) If you had certain knowledge that a person in a position of authority was using his position for personal financial gain in a manner not officially provided for, would you:

(i)	regard the matter as politically acceptable behaviour	..	0.00%
(ii)	ignore the matter as none of your business	..	3.30%
(iii)	feel it your duty to bring the matter to the attention of higher authorities	..	79.12%
(v)	adopt some other course of action (suggest what if possible)	..	14.28%
(v)	no opinion	..	3.30%
	No answer	..	0.00%

(c) If you had certain knowledge that a person in a position of authority had used his position to secure favoured treatment for a friend, relative, co-religionist or member of the same social or sporting club, would you:

(i)	regard the matter as politically acceptable behaviour	..	3.30%
(ii)	ignore the matter as none of your business	..	12.09%
(iii)	feel it your duty to bring the matter to the attention of higher authorities	..	67.03%
(iv)	adopt some other course of action (suggest what if possible)	..	15.38%
(v)	no opinion	..	1.10%
	No answer	..	1.10%

Qn. 12 Do you believe that a government which draws up electoral boundaries in such a way as to give itself the best possible chance of winning an election (i.e., gerrymandering or vote-weighting) is guilty of corruption?

(i)	yes	.	65.93%
(ii)	no, because gerrymandering is a legitimate political device for maintaining power	.	8.79%
(iii)	no, because some interests require special representation and boundaries must be drawn with these interests in mind	.	20.88%
(iv)	no opinion	.	3.30%
	No answer	.	1.10%

Qn.13 Do you believe that a political party which exaggerates unimportant matters or deliberately raises false issues at election time in order to mislead the electorate and win votes thereby is guilty of corruption?

(i)	yes	.	65.93%
(ii)	no, because this is a legitimate means of retaining /winning power	.	28.57%
(iii)	no opinion	.	2.20%
	No answer	.	3.30%

Qn. 14 Would you describe the lobbying tactic of favouring those in a position to influence governmental decisions with free meals and trips or promises of employment when and if they leave politics or public service, as corruption?

(i)	yes	.	78.02%
(ii)	no	.	14.28%
(iii)	no opinion	.	4.40%
	No answer	.	3.30%

Qn. 15(a) Do you agree with the following statement?:
"Corruption can serve as a means of breaking through administrative blockages caused by inefficiency."

(i)	yes	.	21.98%
(ii)	no	.	73.62%
(iii)	no opinion	.	4.40%
	No answer	.	0.00%

Qn. 15 (b) Do you agree with the following statement?:
 "As corruption can only flourish under conditions of inefficiency, corruption must lead to increased inefficiency."

(i)	yes	..	42.85%
(ii)	no	..	47.25%
(iii)	no opinion	..	8.80%
	No answer	..	1.10%

(c) Do you view corruption as:

(i)	a moral problem (i.e., right versus wrong)	..	52.75%
(ii)	a functional problem (i.e., efficiency versus inefficiency)	..	5.49%
(iii)	both (i) and (ii)	..	39.56%
(iv)	not a problem at all	..	1.10%
(v)	no opinion	..	1.10%
	No answer	..	0.00%

Qn. 16 In the course of your daily activities do you hear stories of corruption in high places which are never made public?

(i)	frequently	.	6.59%
(ii)	sometimes	.	67.03%
(iii)	never	.	24.18%
	No answer	.	2.20%

NOTE: The survey as here produced is not quite in the form in which it was presented to surveyees. Each question had space for comments after it, and in many cases these opportunities for comment were extensively used. A number of explanatory notes which were appended to certain questions have also been omitted.

SELECTED BIBLIOGRAPHY

Note: Many of the sources referred to in this bibliography are considerably more important than others. The excerpts from Heidenheimer's anthology and the references of Alatas, Andreski, Arendt, Bayley, D.M. Blake, Braibanti, Burn, Chalmers, O.P. Dwivedi, S. Dwivedi and Bhargava, Eliasberg, Emmerich, Friedrich, H. and S.E. Finer, Gardiner, Gibney, Greenstone, Heard, Helmore, Hoselitz, Huntington, Inglis, Joseph, Kent, Lane, Leff, Colin Leys, Wayne A.R. Leys, McDonald, McKittrick, McMullen, Miller, Mohiddin and Mazrui, Monteiro, Myrdal, Newman, Noel-Baker, Nye, O'Leary, Platt, Riggs, Robinton, Rogow and Lasswell, Rose, Scott, Schubert, Shapiro, Smith, Strauss, Tilman, van Klaveren, Warren, Waterbury, Weinberg, Werlin, Wertheim, Wiebe, Wraith and Simpkins and Zolberg were used extensively. So too were those extracts gleaned from the Encyclopaedia of the Social Sciences and the International Encyclopaedia of the Social Sciences, and the newspapers and government publications which appear in this bibliography. Most listings of Australian origin fit into this category as well.

The remainder fall into one of three categories. Some are works stemming from those three periods of corruption which, it was noted, have attracted the lion's share of attention from observers of corruption. These include works by and on the muckrakers, works on British politics and government in the nineteenth century, and general texts on developmental politics which make occasional reference to problems of corruption. In researching this thesis many of these works were referred to only incidentally, and others were skim-read to provide a basic familiarity with their subject matter. Some were of greater importance however. Works by P.C. Lloyd, Spiro, Farwell, Segal and Weiner contain short but useful contributions to the discussion of corruption in the Third World, and these were accorded due attention. The same may be said of works by Bentham, Burke, Gwyn, Hanham, E. Hughes and Wright in connection with developments in Britain in the nineteenth century, and Bryce, Douglas, Fulbright, Kefauver, Ostrogorski and Weber in connection with standards of public ethics in the United States. There were also

a number of texts which were used for specific and limited purposes, but which required close study in connection with these limited purposes. Buss, Manning, Earl, Kracke, Solow and Koenig are examples. These texts constitute a middle category between those of which extensive use was made, and those which were of marginal importance in the construction of this thesis.

All newspapers listed were used extensively and it has not been practical to give specific listings. Feature articles appearing in these newspapers have been referred to separately in section (c) of the bibliography.

(a) Newspapers

The Advocate (Burnie, Tasmania)
The Age (Melbourne)
The Australian
The Examiner (Launceston, Tasmania)
The Manchester Guardian
The Mercury (Hobart, Tasmania)
Nation (Sydney)
Nation Review
The National Times
New Society
The New York Times
The New York Times Weekly Review
The Spectator
The Sydney Morning Herald
Time
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